

Blagden Specialty Chemicals Limited

Report and Financial Statements

Year Ended

31 December 2017

Company Number 3914333

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Blagden Specialty Chemicals Limited

Report and financial statements for the year ended 31 December 2017

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Blagden Specialty Chemicals Limited

Directors and Advisors for the year ended 31 December 2017

Directors	R G Turton (Managing) G W J Turton
Company number	3914333
Registered office	Osprey House Black Eagle Square Westerham Kent TN16 1PA
Distribution Site	14 Spitfire Road Triumph Trading Park Speke Hall Road Liverpool L24 9BF
Accreditations	COMAH Lower Tier ISO 9001:2008 CBA Responsible Care DGSA approved CareChem 24 scheme FEMAS
Trade Associations	Chemical Business Association Group House, Southmere Court, Electra Way, Crewe Business Park, Crewe, Cheshire, CW1 6GU British Association for Chemical Specialities The Exchange, Station Parade, Harrogate, HG1 1TS
Auditors	BDO LLP 55 Baker Street, London, W1U 7EU
Bankers	HSBC Bank PLC Global House, High Street, Crawley, West Sussex, RH10 1DL
Insurance Brokers	Arthur J Gallagher 34 Tower View, Kings Hill, West Malling, Kent, ME19 4UY
Corporate Lawyers	Cripps Number 22, Mount Ephraim, Tunbridge Wells, TN4 8AS
HR Lawyers	Loch Associates Oxford House 15-17 Mount Ephraim Road, Tunbridge Wells, TN1 1EN

Blagden Specialty Chemicals Limited

Directors' Report for the year ended 31 December 2017

The directors' present the report together with the audited financial statements for the year ended 31 December 2017.

Results and dividends

The results for the year are set out on page 9.

No dividend was paid during the year (2016 - £400,000).

Principal activities

The principal activities of the Company are of representation of mainly overseas chemical manufacturers and the sales of their products in the UK and Irish markets.

The strategic report on page 4 provides information regarding the review of the business, principal risks and uncertainties and future developments.

Financial instruments

The Company's principal funding instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, and loans from financial institutions. The main purpose of these instruments is to raise funds for and to finance the Company's operations.

The Company has bank accounts denominated in foreign currencies and manages its foreign exchange risks using hedging arrangements. Liquidity risk is managed by maintaining a balance of continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

Credit risk and cash flow risk relating to trade debtors are managed by utilising services from a financial institution as well as the regular monitoring of credit terms and credit limits.

Liquidity risk associated with trade creditors is managed by ensuring sufficient funds are available to meet liabilities as they fall due.

Directors

The directors of the Company during the year were:

R G Turton
G W J Turton

Blagden Specialty Chemicals Limited

Directors' Report for the year ended 31 December 2017 *(continued)*

Directors' responsibilities

The directors are responsible for preparing the directors' report, the strategic 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 director 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 year.

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.

Auditor

The current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP were re-appointed as auditor of the company by the directors. BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the next annual general meeting.

On behalf of the Board


R G Turton

Director

Date 15th July 2018

Blagden Specialty Chemicals Limited

Strategic Report for the year ended 31 December 2017

Fair review of the business

The principal activities of the Company are the representation of mainly overseas chemical manufacturers and the sales and technical promotion of their products in the UK and Irish markets.

Blagden therefore acts as a specialist distributor carrying out the functions of global sourcing, sales and marketing, the technical promotion and distribution of specialty, industrial and general chemicals. The bespoke dry packaging and the blending of custom made solutions takes place at our Liverpool distribution site.

Principal risks and uncertainties

The Company buys the majority of its purchases in Euros and is therefore at risk to exchange rate fluctuations. The Company uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by fixing the rate of material payments in foreign currencies.

As always we face the possibility of a loss of a key supply partner through strategic changes of consolidation and/or acquisition.

Analysis of the development and performance of the business

Trading performance in 2017 remained strong with the company taking on new business. New business development is a key element of our strategy and positive results are being seen from our efforts to introduce new products and new sources of supply to complement our existing product ranges for our core market sectors and for new markets.

We continue to strive for improvements to our business processes and customer service. Now with a new ERP system Sage X3, new website and planned CRM implementation 2018/2019, business performance will continue to improve.

Analysis of the position of the business

Sales revenues were up although margins were under pressure given the fall in sterling.

Our business model and finances continue to be resilient. However, in 2018/2019 uncertainty over the performance of the UK economy with the likelihood of unstable trading conditions, volatility and weaker Sterling may bring difficult trading conditions.

Blagden Specialty Chemicals Limited

Strategic Report for the year ended 31 December 2017 (Continued)

Key Performance Indicators

	2017	2016
Stocks/Cost of sales %	11.8%	17.9%
Debtors/Sales %	18.3%	19.1%
Creditors/Cost of sales %	16.7%	20.1%
Net current assets/Sales %	29.7%	31.4%
Stock turnover in calendar days	43.2 days	65.4 days
Trade debtors in calendar days	66.8 days	69.8 days
Trade creditors in calendar days	60.8 days	73.3 days
Gross margin	18.5%	21.9%
EBITDA/Sales %	5.5%	6.8%
Profit before interest and tax/Net current assets %	16.2%	19.1%

Stock turnover improved during the year as more focus was placed on stock management.

On behalf of the Board



R G Turton

Director

Date 15th July 2018

Blagden Specialty Chemicals Limited

Independent auditor's report

TO THE MEMBERS OF BLAGDEN SPECIALTY CHEMICALS LIMITED

Opinion

We have audited the financial statements of Blagden Specialty Chemicals Limited ("the Company") for the year ended 31 December 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Blagden Specialty Chemicals Limited

Independent auditor's report (*Continued*)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and Director's report.

We have nothing to report in respect of the following matters in relation to which 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

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Blagden Specialty Chemicals Limited

Independent auditor's report (*Continued*)

Auditor's responsibilities for the audit of the financial statements

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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Marc Reinecke (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

London

United Kingdom

Date 10-7-2018

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Blagden Specialty Chemicals Limited

Statement of comprehensive income for the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	3	26,141,231	21,217,853
Cost of sales		(21,296,522)	(16,577,375)
Gross profit		4,844,709	4,640,478
Administrative expenses		(3,588,881)	(3,367,878)
Operating profit	6	1,255,828	1,272,600
Interest received		21	63
Interest payable and similar charges	7	(757)	(3,254)
Profit on ordinary activities before taxation		1,255,092	1,269,409
Taxation on profit from ordinary activities	8	(254,333)	(279,897)
Total comprehensive income for the financial year attributable to the owners of the company		1,000,759	989,512

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of comprehensive income.

The notes on pages 13 to 21 form part of these financial statements.

Blagden Specialty Chemicals Limited

Statement of financial position as at 31 December 2017

Company number 3914333	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	9		325,415		419,872
Current assets					
Stocks	10	2,521,523		2,971,324	
Debtors	11	8,581,462		7,189,448	
Cash at bank		2,339,864		2,198,315	
		13,442,849		12,359,087	
Creditors: amounts falling due within one year	12	5,677,996		5,689,450	
Net current assets			7,764,853		6,669,637
Total assets less current liabilities			8,090,268		7,089,509
Net assets			8,090,268		7,089,509
Capital and reserves					
Called up share capital	14		37,500		37,500
Share premium account			37,500		37,500
Profit and loss account			8,015,268		7,014,509
Shareholders' funds			8,090,268		7,089,509

The financial statements were approved by the Board of Directors and authorised for issue on 10th July 2018



R G Turton
Director

The notes on pages 13 to 21 form part of these financial statements.

Blagden Specialty Chemicals Limited

Statement of changes in equity for the year ended 31 December 2017

	Share capital £	Share premium £	Profit and loss account £	Total equity £
1 January 2016	37,500	37,500	6,424,997	6,499,997
Comprehensive income for the year				
Profit for the year	-	-	989,512	989,512
Total comprehensive income for the year	-	-	989,512	989,512
Contributions by and distribution to owners				
Dividends	-	-	(400,000)	(400,000)
Total transactions with owners	-	-	(400,000)	(400,000)
31 December 2016	37,500	37,500	7,014,509	7,089,509
1 January 2017	37,500	37,500	7,014,509	7,089,509
Comprehensive income for the year				
Profit for the year	-	-	1,000,759	1,000,759
Total comprehensive income for the year	-	-	1,000,759	1,000,759
Contributions by and distribution to owners				
Dividends	-	-	-	-
Total transactions with owners	-	-	-	-
31 December 2017	37,500	37,500	8,015,268	8,090,268

The notes on pages 13 to 21 form part of these financial statements.

Blagden Specialty Chemicals Limited

Statement of cash flows for the year ended 31 December 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the financial year		1,255,828	1,272,600
Adjustments for:			
Depreciation of tangible fixed assets	6	168,889	172,263
Profit on disposal of tangible fixed assets		(21,296)	(8,166)
Decrease/(Increase) in stock	10	449,801	(816,237)
Increase in trade and other debtors	11	(1,380,944)	(126,596)
(Decrease)/Increase in trade and other creditors	12	(64,790)	1,856,392
Decrease/(Increase) in amounts owed by group undertakings	11,12	68,894	(986,655)
Cash from operations		476,382	1,363,601
Interest paid		(757)	(3,254)
Taxation paid		(280,961)	(335,247)
Net cash generated from operating activities		194,664	1,025,100
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		24,952	8,300
Purchases of tangible fixed assets	9	(78,088)	(92,352)
Interest received		21	63
Net cash used in investing activities		(53,115)	(83,989)
Cash flows from financing activities			
Equity dividend paid	15	-	(400,000)
Net cash used in financing activities		-	(400,000)
Net Increase in cash and cash equivalents		141,549	541,111
Cash and cash equivalents at the beginning of the year		2,198,315	1,657,204
Cash and cash equivalents at the end of the year		2,339,864	2,198,315
Cash and cash equivalents comprise:			
Cash at bank and in hand		2,339,864	2,198,315
		2,339,864	2,198,315

The notes on pages 13 to 21 form part of these financial statements

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements for the year ended 31 December 2017

1 Accounting policies

Blagden Specialty Chemical Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given page 1 and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires company management to exercise judgement in applying the company's accounting policies (see note 2).

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Turnover is derived from the company's ordinary activities. Revenue from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed payment. These criteria are considered to be met when the goods have been delivered to the buyer.

Reserves

- Called up share capital reserve represents the nominal value of the shares issued.
- Share premium account represents amounts subscribed for share capital in excess of the nominal value.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 15% reducing balance
Motor vehicles	- Straight line over 3 - 5 years
Fixtures and fittings	- 12.5% - 33.3% straight line

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (*continued*)

1 Accounting policies (*continued*)

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the country where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations. When deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (*Continued*)

1 Accounting policies (*continued*)

Foreign currencies

The company's functional and presentation currency is GBP. Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Stock

Stock is valued at the lower of cost and net realisable value. Cost comprises direct costs and, where appropriate, a proportion of attributable overheads. Net realisable value is the estimated selling price less costs necessary to make the sale. Further detail on the provision calculation is set out in note 2.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2 Significant estimates and judgements

In preparing these financial statements the directors have made judgements in the following areas.

Bad debt provision

The directors make judgements as to the company's ability to collect outstanding debtors and provide allowances for a portion of debtors when collection becomes doubtful. Provisions are made based on a specific review of significant outstanding invoices.

Stock provision

Judgement is also made in valuing the net realisable value of stock. A stock provision is made based on a review of the age of the stock and based on products which have passed or are approaching their expiry dates.

3 Turnover

An analysis of turnover by geographical market is as follows:

	2017 £	2016 £
UK	24,808,034	20,267,314
Europe	1,324,745	884,089
Rest of World	8,452	66,450
	<hr/>	<hr/>
	26,141,231	21,217,853
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Blagden Specialty Chemicals Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (Continued)

4 Employees

	2017 £	2016 £
Staff costs, including directors' remuneration, consist of:		
Wages and salaries	1,960,465	1,848,429
Social security costs	234,935	222,022
Other pension costs	73,673	82,401
	<u>2,269,073</u>	<u>2,152,852</u>
The average number of employees, including directors, during the year was	Number	Number
Warehouse and distribution	6	6
Selling	24	23
Administration	17	18
	<u>47</u>	<u>47</u>

5 Directors' remuneration

	2017 £	2016 £
Emoluments	277,068	275,799
Social security costs	35,973	35,980
	<u>313,041</u>	<u>311,779</u>
Company pension contributions to money purchase pension schemes	-	-

During the year no retirement benefits were accruing to the director (2016 - £nil) in respect of money purchase pension schemes.

The highest paid director received remuneration of £277,068 (2016 - £275,799).

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £nil (2016 - £nil).

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*Continued*)

6 Operating profit

	2017 £	2016 £
This has been arrived at after charging/(crediting):		
Depreciation of tangible fixed assets - owned by the company	168,889	172,263
Auditor's remuneration	30,000	30,000
Difference on foreign exchange	52,108	(50,714)
Operating lease expenditure	90,090	98,280
Profit on disposal of tangible fixed assets	(21,296)	(8,167)
	<hr/>	<hr/>

7 Interest payable and similar charges

	2017 £	2016 £
On bank loans and overdrafts	757	3,254
On other loans wholly repayable within five years	-	-
	<hr/>	<hr/>
	757	3,254
	<hr/>	<hr/>

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*Continued*)

8 Taxation on profit from ordinary activities

	2017 £	2016 £
<i>Current tax</i>		
UK corporation tax on profits of the period	257,051	284,139
Prior year adjustment	(2,718)	(4,242)
	<hr/>	<hr/>
Total current tax	254,333	279,897
	<hr/>	<hr/>

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

	2017 £	2016 £
Profit on ordinary activities before tax	1,255,092	1,269,409
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	241,562	253,882
Effects of:		
Expenses not deductible for tax purposes	456	2,184
Short term timing differences - movement on provisions	(287)	7,902
Capitalised revenue expenditure allowable on an accounts basis	190	(683)
Depreciation in excess of capital allowance	12,646	19,150
Depreciation on assets ineligible for capital allowances	2,507	1,731
Prior year adjustment	(2,718)	(4,242)
Group relief	(23)	(27)
	<hr/>	<hr/>
Current tax charge for the year	254,333	279,897
	<hr/>	<hr/>

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (Continued)

9 Tangible assets

	Plant and machinery £	Motor vehicles £	Fixtures, fittings and Equipment £	Total £
<i>Cost</i>				
At 1 January 2017	422,663	351,511	1,014,493	1,788,667
Additions	16,323	19,370	42,395	78,088
Disposals	-	(127,141)	(174,236)	(301,377)
At 31 December 2017	438,986	243,740	882,652	1,565,378
<i>Depreciation</i>				
At 1 January 2017	246,890	245,951	875,954	1,368,795
Charge for the year	28,814	56,456	83,619	168,889
Disposals	-	(123,485)	(174,236)	(297,721)
At 31 December 2017	275,704	178,922	785,337	1,239,963
<i>Net book value</i>				
At 31 December 2017	163,282	64,818	97,315	325,415
At 31 December 2016	175,773	105,560	138,539	419,872

10 Stock

	2017 £	2016 £
Finished goods and goods for resale	2,521,523	2,971,324

11 Debtors

	2017 £	2016 £
Trade debtors	4,783,294	4,058,782
Other debtors	785,487	166,711
Prepayments	120,597	82,941
Amounts owed by group undertakings	2,892,084	2,881,014
	8,581,462	7,189,448

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements
for the year ended 31 December 2017 (*Continued*)

12 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	3,547,112	3,327,543
Corporation tax	123,993	150,621
Social security and other taxes	784,491	644,675
Other creditors	60,668	633,898
Accruals & deferred Income	360,329	211,274
Amounts owed to group undertakings	801,403	721,439
	<u>5,677,996</u>	<u>5,689,450</u>

13 Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>8,460,865</u>	<u>7,106,507</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>4,769,512</u>	<u>4,894,154</u>

14 Share capital

	2017 Number	2016 Number	2017 £	2016 £
Allotted, called up and fully paid Ordinary shares of 25p each	<u>150,000</u>	<u>150,000</u>	<u>37,500</u>	<u>37,500</u>

15 Dividends

	2017 £	2016 £
Ordinary shares		
No dividends paid in 2017 (2016 – dividend of £2.6666667 per share)	<u>-</u>	<u>400,000</u>

Blagden Specialty Chemicals Limited

Notes forming part of the financial statements for the year ended 31 December 2017 (*Continued*)

16 Pension costs

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charge represents contributions payable by the company to the fund and amounted to £73,673 (2016 - £82,401). Contributions totalling £25,554 (2016 - £24,984) were payable to the fund at the balance sheet date and are included in other creditors.

17 Related party transactions

Directors' emoluments have been disclosed in note 4. The company has taken advantage of the exemptions provided by FRS 102 paragraph 33.1A and not disclosed the transactions with group undertakings where 100% of the voting rights are controlled within the group.

18 Commitments under operating leases

As at 31 December 2017, the company had minimum lease payments under non-cancellable operating leases as set out below:

	2017 Land and Buildings £	2017 Other £	2016 Land and buildings £	2016 Other £
Within one year	98,280	-	98,280	-
In two to five years	49,140	-	147,420	-
	<u>147,420</u>	<u>-</u>	<u>245,700</u>	<u>-</u>

19 Ultimate parent undertaking and controlling party

The ultimate parent company is Blagden Holdings Limited, a company incorporated in England and Wales, which is 100% owned by R G Turton, director. A copy of these financial statements can be obtained from Osprey House, Black Eagle Square, Westerham, Kent, TN16 1PA.