

Company registration number: 04813724

**Alembic Manufacturing Limited**

**Filleted financial statements**

**31 December 2019**



## **Alembic Manufacturing Limited**

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## **Alembic Manufacturing Limited**

### **Directors and other information**

<b>Directors</b>	Mr D. J. Randall Mr J. T. Tann Mr C. J. Gilbert
<b>Secretary</b>	D. J. Randall
<b>Company number</b>	04813724
<b>Registered office</b>	Unit 6 Wimbourne Buildings Atlantic Way Barry Docks Barry CF63 3RA
<b>Auditor</b>	Naunton Jones Le Masurier Chartered Certified Accountants and Registered Auditors 12 York Place Barry Vale of Glamorgan CF62 7ED

## **Alembic Manufacturing Limited**

### **Directors responsibilities statement Year ended 31 December 2019**

The directors are responsible for preparing the directors 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 company and the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

**Alembic Manufacturing Limited**

**Statement of financial position  
31 December 2019**

	Note	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	8	129,777		146,497	
			129,777		146,497
<b>Current assets</b>					
Stocks		673,241		705,741	
Debtors	9	258,611		354,065	
Cash at bank and in hand		103,031		149,460	
		1,034,883		1,209,266	
<b>Creditors: amounts falling due within one year</b>	10	(314,836)		(499,418)	
<b>Net current assets</b>			720,047		709,848
<b>Total assets less current liabilities</b>			849,824		856,345
 <b>Provisions for liabilities</b>	11		(22,606)		(25,330)
 <b>Net assets</b>			827,218		831,015
 <b>Capital and reserves</b>					
Called up share capital			1,000		1,000
Share premium account			399,000		399,000
Profit and loss account			427,218		431,015
<b>Shareholders funds</b>			827,218		831,015

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

**The notes on pages 5 to 11 form part of these financial statements.**

**Alembic Manufacturing Limited**

**Statement of financial position (continued)**  
**31 December 2019**

These financial statements were approved by the board of directors and authorised for issue on 10 June 2020, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'D J Randall', with a long horizontal line extending to the right.

Mr D. J. Randall  
Director

Company registration number: 04813724

**The notes on pages 5 to 11 form part of these financial statements.**

## **Alembic Manufacturing Limited**

### **Notes to the financial statements Year ended 31 December 2019**

#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 6 Wimbourne Buildings, Atlantic Way, Barry Docks, Barry, CF63 3RA.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

##### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

## **Alembic Manufacturing Limited**

### **Notes to the financial statements (continued) Year ended 31 December 2019**

#### **Tangible assets**

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	-	Straight line over the life of the lease
Plant and machinery	-	10% reducing balance
Fittings fixtures and equipment	-	10% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

#### **Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.



## **Alembic Manufacturing Limited**

### **Notes to the financial statements (continued) Year ended 31 December 2019**

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

**Alembic Manufacturing Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2019**

**4. Auditors remuneration**

	<b>2019</b>	2018
	<b>£</b>	£
<b>Fees payable to Naunton Jones Le Masurier</b>		
Fees payable for the audit of the financial statements	4,850	4,850
	<u>4,850</u>	<u>4,850</u>

**5. Employee numbers**

The average number of persons employed by the company during the year amounted to 11 (2018: 10).

**6. Directors remuneration**

The directors aggregate remuneration in respect of qualifying services was:

	<b>2019</b>	2018
	<b>£</b>	£
Remuneration	218,334	213,012
	<u>218,334</u>	<u>213,012</u>

**7. Dividends**

**Equity dividends**

	<b>2019</b>	2018
	<b>£</b>	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	-	200,000
	<u>-</u>	<u>200,000</u>

**Alembic Manufacturing Limited**

**Notes to the financial statements (continued)**  
**Year ended 31 December 2019**

**8. Tangible assets**

	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 January 2019	1,695	395,262	9,385	406,342
Additions	-	18,760	-	18,760
Disposals	-	(50,417)	-	(50,417)
<b>At 31 December 2019</b>	<u>1,695</u>	<u>363,605</u>	<u>9,385</u>	<u>374,685</u>
<b>Depreciation</b>				
At 1 January 2019	1,695	250,650	7,500	259,845
Charge for the year	-	14,231	189	14,420
Disposals	-	(29,357)	-	(29,357)
<b>At 31 December 2019</b>	<u>1,695</u>	<u>235,524</u>	<u>7,689</u>	<u>244,908</u>
<b>Carrying amount</b>				
<b>At 31 December 2019</b>	<u>-</u>	<u>128,081</u>	<u>1,696</u>	<u>129,777</u>
At 31 December 2018	<u>-</u>	<u>144,612</u>	<u>1,885</u>	<u>146,497</u>

**9. Debtors**

	<b>2019 £</b>	<b>2018 £</b>
Trade debtors	237,815	342,320
Other debtors	20,796	11,745
	<u>258,611</u>	<u>354,065</u>

**10. Creditors: amounts falling due within one year**

	<b>2019 £</b>	<b>2018 £</b>
Trade creditors	230,457	432,410
Corporation tax	1,834	32,097
Social security and other taxes	62,999	17,618
Other creditors	19,546	17,293
	<u>314,836</u>	<u>499,418</u>

# Alembic Manufacturing Limited

## Notes to the financial statements (continued) Year ended 31 December 2019

### 11. Provisions

	Deferred tax (note 12)	Total
	£	£
At 1 January 2019	25,330	25,330
Additions	(2,724)	(2,724)
<b>At 31 December 2019</b>	<b>22,606</b>	<b>22,606</b>

### 12. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2019	2018
	£	£
Included in provisions (note 11)	22,606	25,330

The deferred tax account consists of the tax effect of timing differences in respect of:

	2019	2018
	£	£
Accelerated capital allowances	22,606	25,330

### 13. Summary audit opinion

The auditor's report for the year dated 10 June 2020 was unqualified.

The senior statutory auditor was Peter Vivian Knight Chaffey, for and on behalf of Naunton Jones Le Masurier.

### 14. Related party transactions

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

	Transaction value		Balance owed by/(owed to)	
	2019	2018	2019	2018
	£	£	£	£
Sales / Debtors to Elementis	1,685,933	2,560,780	237,815	234,665
Sales / Debtors to Alembic Limited	1,147,736	1,418,331	-	107,655

Alembic Limited own 75% of the shares in Alembic Manufacturing Limited, with Elementis owning 25%.  
No dividends paid in the year (2018: £200,000)

**Alembic Manufacturing Limited**

**Notes to the financial statements (continued)**

**Year ended 31 December 2019**

**15. Controlling party**

Throughout the period the company has been controlled by its parent undertaking, Alembic Ltd. Alembic Ltd hold 75% of the ordinary shares in Alembic manufacturing Ltd. The ultimate controlling parties were jointly D J Randall and J T Tann by virtue of their 100% holding of ordinary shares in Alembic Ltd.