

COMPANY REGISTRATION NUMBER 4977152

**APOLLO CHEMICALS GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**30 APRIL 2011**

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COMPANIES HOUSE

**RONALD SHAW & CO**  
Chartered Accountants & Statutory Auditor  
Ashford House  
95 Dixons Green  
Dudley  
West Midlands

# **APOLLO CHEMICALS GROUP LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

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**APOLLO CHEMICALS GROUP LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Mr R F Saunders  
Mrs G Saunders  
Mr J H Saunders

**Company secretary**

Mrs C Saunders

**Registered office**

Ashford House  
95 Dixons Green  
Dudley  
West Midlands

**Auditor**

Ronald Shaw & Co  
Chartered Accountants  
& Statutory Auditor  
Ashford House  
95 Dixons Green  
Dudley  
West Midlands

**Bankers**

Yorkshire Bank PLC  
Temple Point 1  
Temple Row  
Birmingham  
B2 5YB

**Solicitors**

Waldrons Solicitors  
Wychbury Court  
Two Woods Lane  
Brierley Hill  
West Midlands

## **APOLLO CHEMICALS GROUP LIMITED**

### **THE DIRECTORS' REPORT**

**YEAR ENDED 30 APRIL 2011**

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The directors have pleasure in presenting their report and the financial statements of the group for the year ended 30 April 2011.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company is an investment holding company which co-ordinates the activities of its trading subsidiaries which are involved in the manufacturing of a broad range of adhesives, sealants, and coatings, adhesive tapes and custom coated products, suitable to serve and support all markets there has been no significant change in this activity during the year

#### **REVIEW OF BUSINESS**

The directors are satisfied that the group companies have continued to grow despite difficult trading conditions. The directors aim to continue to maintain the management policies which has resulted in strong financial performance in recent years. They consider that 2012 will be challenging, but believe they can maintain the current levels of performance by focusing on the quality of service, and product development.

The business opportunities continue to develop and the directors feel that there are very few risks or uncertainties associated with the business at this time due to the diversity of the market which brings minimised risk sensitivity.

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, contribution, overheads and cash flow.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £200,471. The directors have not recommended a dividend.

#### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

Financial risk management objectives and policies

The company's financial assets and liabilities consist of trade debtors and creditors, cash balances, bank overdrafts, and finance leases.

The directors manage the company's exposure to financial risk by researching the credit worthiness of customers and by seeking advice from the company's providers of finance and its other external financial advisers.

Currency risk is restricted to the short term settlement of trading balances with customers and suppliers.

The company does not trade speculatively in derivatives or similar instruments.

#### **DIRECTORS**

The directors who served the company during the year were as follows

Mr R F Saunders

Mrs G Saunders

Mr J H Saunders

**APOLLO CHEMICALS GROUP LIMITED****THE DIRECTORS' REPORT** *(continued)***YEAR ENDED 30 APRIL 2011**

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**DIRECTORS' RESPONSIBILITIES**

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 group and of the profit or loss of the group for that year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# APOLLO CHEMICALS GROUP LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 APRIL 2011

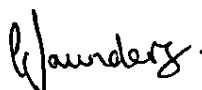
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### AUDITOR

Ronald Shaw & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
Ashford House  
95 Dixons Green  
Dudley  
West Midlands

Signed by order of the directors



MRS C SAUNDERS  
Company Secretary

Approved by the directors on 22 November 2011

**APOLLO CHEMICALS GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**APOLLO CHEMICALS GROUP LIMITED**  
**YEAR ENDED 30 APRIL 2011**

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We have audited the group and parent company financial statements ("the financial statements") of Apollo Chemicals Group Limited for the year ended 30 April 2011 which comprise the Profit and Loss Account, Group Statement of Total Recognised Gains and Losses, Group Balance Sheet and Company Balance Sheet, Group Cash Flow Statement 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 set out on page 3, 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 (APB'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 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. 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 parent company's affairs as at 30 April 2011 and of the group's 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

**APOLLO CHEMICALS GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**APOLLO CHEMICALS GROUP LIMITED** *(continued)*

**YEAR ENDED 30 APRIL 2011**

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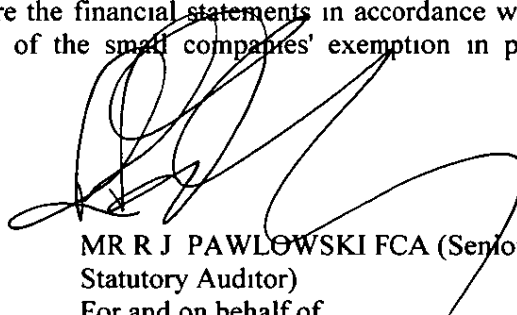
**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



MR R J PAWLOWSKI FCA (Senior  
Statutory Auditor)  
For and on behalf of  
RONALD SHAW & CO  
Chartered Accountants  
& Statutory Auditor

Ashford House  
95 Dixons Green  
Dudley  
West Midlands

Our audit was completed on 23 November 2011 and our opinion was expressed at that date



# APOLLO CHEMICALS GROUP LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2011

	Note	2011 £	2010 £
<b>GROUP TURNOVER</b>	<b>2</b>	<b>20,872,985</b>	<b>18,088,478</b>
Change in stocks of finished goods		<u>39,485</u>	<u>53,195</u>
		<b>20,912,470</b>	<b>18,141,673</b>
Raw materials and consumables		<b>11,515,250</b>	<b>9,188,478</b>
Other external charges		<b>1,549,334</b>	<b>1,200,184</b>
Staff costs	<b>3</b>	<b>4,609,062</b>	<b>4,999,521</b>
Depreciation written off fixed assets	<b>4</b>	<b>382,542</b>	<b>362,292</b>
Other operating charges		<u>2,545,063</u>	<u>2,214,356</u>
<b>OPERATING PROFIT</b>	<b>4</b>	<b>311,219</b>	<b>176,842</b>
Interest receivable		<b>279</b>	<b>13</b>
Interest payable and similar charges	<b>6</b>	<b>(47,060)</b>	<b>(65,455)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u><b>264,438</b></u>	<u><b>111,400</b></u>
Tax on profit on ordinary activities	<b>7</b>	<b>52,778</b>	<b>32,000</b>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u><b>211,660</b></u>	<u><b>79,400</b></u>
Minority interests		<b>11,189</b>	<b>11,447</b>
<b>PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY</b>	<b>8</b>	<u><b>200,471</b></u>	<u><b>67,953</b></u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>£200,471</b></u>	<u><b>£67,953</b></u>

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 11 to 26 form part of these financial statements.

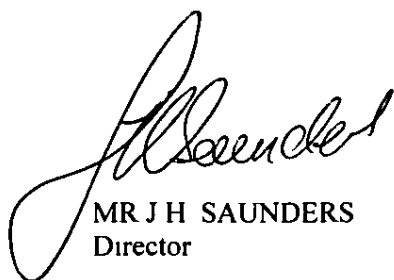
# APOLLO CHEMICALS GROUP LIMITED

## GROUP BALANCE SHEET

30 APRIL 2011

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	9	2,190,399	2,329,459
Investments	10	50,250	—
		<u>2,240,649</u>	<u>2,329,459</u>
<b>CURRENT ASSETS</b>			
Stocks	11	2,070,493	1,877,238
Debtors	12	5,161,656	4,579,048
Cash at bank		711,674	482,119
		<u>7,943,823</u>	<u>6,938,405</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>5,890,915</u>	<u>4,701,442</u>
<b>NET CURRENT ASSETS</b>		<u>2,052,908</u>	<u>2,236,963</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,293,557</u>	<u>4,566,422</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	14	198,466	646,945
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	16	81,477	117,523
		<u>4,013,614</u>	<u>3,801,954</u>
<b>MINORITY INTERESTS</b>		<u>89,266</u>	<u>156,155</u>
		<u>£3,924,348</u>	<u>£3,645,799</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	300	300
Share premium account	20	2,499,900	2,499,900
Other reserves	20	259,078	181,000
Profit and loss account	20	1,165,070	964,599
<b>SHAREHOLDERS' FUNDS</b>	20	<u>£3,924,348</u>	<u>£3,645,799</u>

These financial statements were approved by the directors and authorised for issue on 22 November 2011, and are signed on their behalf by.



MR J H SAUNDERS  
Director

# APOLLO CHEMICALS GROUP LIMITED

## BALANCE SHEET

30 APRIL 2011

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Investments	10	<u>4,976,451</u>	<u>4,926,201</u>
<b>CURRENT ASSETS</b>			
Debtors	12	73,722	73,972
Cash at bank		<u>85</u>	<u>85</u>
		73,807	74,057
<b>CREDITORS: Amounts falling due within one year</b>	13	<u>50,000</u>	<u>—</u>
<b>NET CURRENT ASSETS</b>		<u>23,807</u>	<u>74,057</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,000,258</u>	<u>5,000,258</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	19	300	300
Share premium account	20	2,499,900	2,499,900
Profit and loss account	20	<u>2,500,058</u>	<u>2,500,058</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>£5,000,258</u>	<u>£5,000,258</u>

These financial statements were approved by the directors and authorised for issue on 22 November 2011, and are signed on their behalf by



MR J H SAUNDERS  
Director

Company Registration Number 4977152

# **APOLLO CHEMICALS GROUP LIMITED**

## **GROUP CASH FLOW STATEMENT**

**YEAR ENDED 30 APRIL 2011**

	Note	2011 £	2010 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>21</b>	<b>982,141</b>	<b>124,621</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>22</b>	<b>(46,781)</b>	<b>(65,442)</b>
<b>TAXATION</b>	<b>23</b>	<b>(51,826)</b>	<b>(67,088)</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>	<b>24</b>	<b>(243,482)</b>	<b>(78,227)</b>
<b>ACQUISITIONS AND DISPOSALS</b>	<b>25</b>	<b>(50,250)</b>	<b>—</b>
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>		<b>589,802</b>	<b>(86,136)</b>
<b>FINANCING</b>	<b>26</b>	<b>(360,247)</b>	<b>444,000</b>
<b>INCREASE IN CASH</b>	<b>27</b>	<b><u>£229,555</u></b>	<b><u>£357,864</u></b>

**APOLLO CHEMICALS GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 APRIL 2011**

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**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention

**Basis of consolidation**

The consolidated financial statements incorporated the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method, negative goodwill written off is now included in undistributed reserves. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of Section 495 of the Companies Act 2006.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Fixed assets**

All fixed assets are initially recorded at cost.

**Depreciation**

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

Freehold Property	-	100 years
Long Leasehold Property	-	125 years
Plant & Equipment	-	4 years
Office equipment	-	7 years
Motor Vehicles	-	4 years

**Stocks**

Stock has been valued at the lower of cost and net realisable value. Cost in the case of products manufactured by the company consists of direct material and labour costs, together with relevant factory overheads.

**APOLLO CHEMICALS GROUP LIMITED****NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 APRIL 2011**

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**1. ACCOUNTING POLICIES** *(continued)***Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pension costs**

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

**Deferred taxation**

Deferred taxation is provided using the liability method in respect of the taxation effect on all timing differences other than those which are expected with reasonable probability to continue in the foreseeable future.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

# APOLLO CHEMICALS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2011

### 1. ACCOUNTING POLICIES *(continued)*

#### Employer financed retirement benefit scheme

During the year the company established an employer finance retirement benefit scheme for the benefit of its officers, employees and their wider families, The Apollo Chemicals Limited Employer Financed Retirement Benefit Scheme ("The Scheme")

In accordance with UITF abstract 32 "Employee Benefit Trusts and other intermediate payment arrangements" the company does not include the assets and liabilities of The Scheme on its balance sheet to the extent that it considers that it will not retain any economic benefit from the assets of The Scheme and will not have control of the rights or other access to those present economic benefit

#### Liquid resources

Liquid resources comprise deposits held by recognised banks and building societies

### 2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group  
An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	18,266,744	15,840,967
Rest of Europe	2,186,592	2,201,292
Rest of the World	419,649	46,219
	<u>£20,872,985</u>	<u>£18,088,478</u>

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **3. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the group during the financial year amounted to

	2011	2010
	No	No
Number of production staff	69	69
Number of administrative staff	14	14
Number of management staff	5	5
Number of other staff - defineable	28	28
	<u>116</u>	<u>116</u>

The aggregate payroll costs of the above were

	2011	2010
	£	£
Wages and salaries	3,932,199	4,617,742
Social security costs	316,778	295,004
Other pension costs	360,085	86,775
	<u>£4,609,062</u>	<u>£4,999,521</u>

### **4. OPERATING PROFIT**

Operating profit is stated after charging/(crediting)

	2011	2010
	£	£
Depreciation of owned fixed assets	203,311	141,949
Depreciation of assets held under hire purchase agreements	190,154	227,243
Profit on disposal of fixed assets	(10,923)	(6,900)
Auditor's remuneration		
- as auditor	17,000	16,000
Operating lease costs		
- Plant and equipment	20,745	21,039
- Other	<u>53,369</u>	<u>10,695</u>

### **5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	2011	2010
	£	£
Remuneration receivable	<u>910,235</u>	<u>1,090,910</u>



# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **5. DIRECTORS' REMUNERATION** *(continued)*

#### **Remuneration of highest paid director:**

	2011 £	2010 £
Total remuneration (excluding pension contributions)	<u>530,263</u>	<u>712,140</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2011 No	2010 No
Money purchase schemes	<u>1</u>	<u>1</u>

### **6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2011 £	2010 £
Interest payable on bank borrowing	8,388	6,358
Finance charges	<u>38,672</u>	<u>59,097</u>
	<u>£47,060</u>	<u>£65,455</u>

### **7. TAXATION ON ORDINARY ACTIVITIES**

#### **(a) Analysis of charge in the year**

	2011 £	2010 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 25 60% (2010 - 24 95%)	<u>88,824</u>	<u>51,927</u>
Total current tax	<u>£88,824</u>	<u>£51,927</u>
Deferred tax		
Origination and reversal of timing differences	<u>(36,046)</u>	<u>(19,927)</u>
Tax on profit on ordinary activities	<u>52,778</u>	<u>32,000</u>

# APOLLO CHEMICALS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2011

### 7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 25.60% (2010 - 24.95%)

	2011 £	2010 £
Profit on ordinary activities before taxation	<u>264,438</u>	<u>111,400</u>
Profit on ordinary activities by rate of tax	65,488	28,035
Expenses not deductible for tax purposes	1,680	2,306
Capital allowances for period in excess of depreciation	21,655	21,592
Rounding on tax charge	1	(6)
Total current tax (note 7(a))	<u>£88,824</u>	<u>£51,927</u>

#### (c) Factors that may affect future tax charges

No provision for deferred taxation has been made in relation to the revaluation of freehold and leasehold land and buildings included in the revaluation reserve. If the interest in freehold and leasehold land and buildings were disposed of at its balance sheet amount it is estimated that the tax liability would amount to approximately £ Nil.

### 8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £Nil (2010 - £Nil)

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **9. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold Property £</b>	<b>Leasehold Property £</b>	<b>Plant &amp; Machinery £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST</b>						
At 1 May 2010	418,671	963,029	5,627,650	408,632	423,799	7,841,781
Additions	–	–	84,264	131,538	42,680	258,482
Disposals	–	–	–	–	(62,663)	(62,663)
<b>At 30 Apr 2011</b>	<b><u>418,671</u></b>	<b><u>963,029</u></b>	<b><u>5,711,914</u></b>	<b><u>540,170</u></b>	<b><u>403,816</u></b>	<b><u>8,037,600</u></b>
<b>DEPRECIATION</b>						
At 1 May 2010	46,059	172,092	4,586,241	396,478	311,452	5,512,322
Charge for the year	4,187	6,606	279,780	24,282	78,610	393,465
On disposals	–	–	–	–	(58,586)	(58,586)
<b>At 30 Apr 2011</b>	<b><u>50,246</u></b>	<b><u>178,698</u></b>	<b><u>4,866,021</u></b>	<b><u>420,760</u></b>	<b><u>331,476</u></b>	<b><u>5,847,201</u></b>
<b>NET BOOK VALUE</b>						
<b>At 30 Apr 2011</b>	<b><u>368,425</u></b>	<b><u>784,331</u></b>	<b><u>845,893</u></b>	<b><u>119,410</u></b>	<b><u>72,340</u></b>	<b><u>2,190,399</u></b>
At 30 Apr 2010	<u>372,612</u>	<u>790,937</u>	<u>1,041,409</u>	<u>12,154</u>	<u>112,347</u>	<u>2,329,459</u>
					<b>2011 £</b>	<b>2010 £</b>
<b>COST OR VALUATION</b>						
Freehold					418,671	418,671
Long leasehold					957,685	957,685
Short leasehold					5,344	5,344
					<u>1,381,700</u>	<u>1,381,700</u>
<b>DEPRECIATION</b>						
Freehold					(50,246)	(46,059)
Long leasehold					(173,407)	(166,996)
Short leasehold					(5,291)	(5,096)
					<u>(228,944)</u>	<u>(218,151)</u>

The leasehold buildings are on land which has been leased for a term of 125 years from 12th December 1974. Freehold land and buildings have been amortised over 100 years.

Other tangible fixed assets including additions to land and buildings are included at cost.

The directors are not aware of any material change in the property values.

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **9. TANGIBLE FIXED ASSETS *(continued)***

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	<b>Freehold Property £</b>	<b>Long Leasehold Property £</b>	<b>Total £</b>
<b>Net book value at end of year</b>	<b>368,425</b>	<b>784,331</b>	<b>1,152,756</b>
<b>Historical cost</b>	<b>218,226</b>	<b>544,984</b>	<b>763,210</b>
<b>Depreciation:</b>			
At 1 May 2010	24,004	94,890	118,894
Charge for year	2,182	3,760	5,942
At 30 Apr 2011	26,186	98,650	124,836
<b>Net historical cost value:</b>			
At 30 Apr 2011	192,040	446,334	638,374
At 1 May 2010	194,222	450,094	644,316

#### **Hire purchase agreements**

Included within the net book value of £2,190,399 is £658,904 (2010 - £825,080) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £190,154 (2010 - £227,243)

### **10. INVESTMENTS**

#### **Group investment in subsidiary company**

	<b>£</b>
<b>COST</b>	
Additions	50,250
At 30 April 2011	50,250
<b>NET BOOK VALUE</b>	
At 30 April 2011	50,250
At 30 April 2010	-

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **10. INVESTMENTS *(continued)***

	Country of incorporation	Dormant	Proportion of voting rights and shares held	Nature of business
<b>Subsidiary undertakings</b>				
All held by the company				
Apollo Chemicals Holdings Limited	England	Ordinary shares	100%	Dormant Company
Apollo Chemicals Limited	England	Ordinary shares	100%	Manufacturer of Adhesives
Raleigh Adhesive Coatings Limited	England	Ordinary shares	92%	Manufacturer of Adhesives Tape

On 1st August 2010 Apollo Chemicals Group Limited acquired an additional 8% of the issued share capital of Raleigh Adhesive Coatings Limited for £50,250

Company	Group companies £
<b>COST</b>	
At 1 May 2010	4,926,201
Additions	50,250
At 30 April 2011	<u>4,976,451</u>
<b>NET BOOK VALUE</b>	
At 30 April 2011	<u>4,976,451</u>
At 30 April 2010	<u>4,926,201</u>

### **11. STOCKS**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Raw materials	1,498,949	1,343,810	—	—
Stationery	397	1,766	—	—
Finished goods	571,147	531,662	—	—
	<u>£2,070,493</u>	<u>£1,877,238</u>	<u>—</u>	<u>—</u>

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### 12. DEBTORS

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	4,997,508	4,356,070	—	—
Amounts owed by group undertakings	—	—	73,722	73,972
Other debtors	81,013	154,169	—	—
Prepayments and accrued income	83,135	68,809	—	—
	<u>£5,161,656</u>	<u>£4,579,048</u>	<u>£73,722</u>	<u>£73,972</u>

### 13. CREDITORS: Amounts falling due within one year

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdrafts	1,243,240	1,120,148	—	—
Trade creditors	2,159,465	2,008,269	—	—
Amounts owed to group undertakings	—	—	50,000	—
Hire purchase agreements	263,118	297,978	—	—
Directors' loan accounts	711,759	393,204	—	—
Other creditors including taxation and social security				
Corporation tax	88,925	51,927	—	—
Other taxation and social security	375,330	368,581	—	—
Other creditors	563,974	170,000	—	—
Accruals and deferred income	485,104	291,335	—	—
	<u>£5,890,915</u>	<u>£4,701,442</u>	<u>£50,000</u>	<u>—</u>

The loans in respect of the hire purchase agreements are secured against the assets to which they relate

The following liabilities disclosed under creditors falling due within one year are secured by the company

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdrafts	<u>1,243,240</u>	<u>—</u>	<u>—</u>	<u>—</u>

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **14. CREDITORS: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Hire purchase agreements	198,466	396,945	-	-
Other creditors	-	250,000	-	-
	<u>£198,466</u>	<u>£646,945</u>	<u>-</u>	<u>-</u>

### **15. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts payable within 1 year	263,118	297,978	-	-
Amounts payable between 2 to 5 years	198,466	396,945	-	-
	<u>461,584</u>	<u>694,923</u>	<u>-</u>	<u>-</u>

### **16. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Provision brought forward	117,523	137,450	-	-
Decrease in provision	(36,046)	(19,927)	-	-
Provision carried forward	<u>£81,477</u>	<u>£117,523</u>	<u>-</u>	<u>-</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

<b>Group</b>	<b>2011</b>		<b>2010</b>	
	<b>Provided</b>	<b>Unprovided</b>	<b>Provided</b>	<b>Unprovided</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	<u>81,477</u>	<u>-</u>	<u>117,523</u>	<u>-</u>

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **17. COMMITMENTS UNDER OPERATING LEASES**

At 30 April 2011 the group had annual commitments under non-cancellable operating leases as set out below

Group	2011		2010	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Within 2 to 5 years	182,735	90,058	182,675	69,978
After more than 5 years	37,100	-	37,100	-
	<u>£219,835</u>	<u>£90,058</u>	<u>£219,775</u>	<u>£69,978</u>

### **18. RELATED PARTY TRANSACTIONS**

Transactions with companies in which the directors had material equity interests -

R F Saunders

Sales to

Apollo Tactile Limited £67,156 (2010 £109,049)

Purchases from

Apollo Tactile Limited £19,500 (2010 £ Nil)

Balance

Amounts due from

Apollo Tactile Limited £81,013 (2010 £154,169)

Directors made loans to the Apollo Chemicals Limited during the year The loans are interest free The outstanding balances at 30th April are as follows -

J H Saunders £684,733 (2010 £344,418)

R F Saunders £27,026 (2010 £48,786)

### **19. SHARE CAPITAL**

**Authorised share capital:**

	2011 £	2010 £
300 Ordinary shares of £1 each	<u>300</u>	<u>300</u>



# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **19. SHARE CAPITAL** *(continued)*

Allotted, called up and fully paid:

	<b>2011</b>		<b>2010</b>	
	<b>No</b>	<b>£</b>	<b>No</b>	<b>£</b>
300 Ordinary shares of £1 each	<u><b>300</b></u>	<u><b>300</b></u>	<u><b>300</b></u>	<u><b>300</b></u>

### **20. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES**

<b>Group</b>	<b>Share capital</b>	<b>Share premium account</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward	300	2,499,900	181,000	896,646	3,577,846
Profit for the year	—	—	—	67,953	67,953
Balance brought forward	£300	£2,499,900	£181,000	£964,599	£3,645,799
Profit for the year	—	—	—	200,471	200,471
Other movements					
Transfers	—	—	78,078	—	78,078
Balance carried forward	<u>£300</u>	<u>£2,499,900</u>	<u>£259,078</u>	<u>£1,165,070</u>	<u>£3,924,348</u>
<b>Company</b>	<b>Share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
Balance brought forward	300	2,499,900	2,500,058	5,000,258	
Balance brought forward	£300	£2,499,900	£2,500,058	£5,000,258	
Balance carried forward	<u>£300</u>	<u>£2,499,900</u>	<u>£2,500,058</u>	<u>£5,000,258</u>	

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **21. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2011	2010
	£	£
Operating profit	311,219	176,842
Depreciation	393,465	369,192
Profit on disposal of fixed assets	(10,923)	(6,900)
Increase in stocks	(193,255)	(285,549)
Increase in debtors	(582,608)	(1,078,294)
Increase in creditors	1,064,243	949,330
Net cash inflow from operating activities	<u>£982,141</u>	<u>£124,621</u>

### **22. RETURNS ON INVESTMENTS AND SERVICING OF FINANCE**

	2011	2010
	£	£
Interest received	279	13
Interest paid	(8,388)	(6,358)
Interest element of hire purchase	(38,672)	(59,097)
Net cash outflow from returns on investments and servicing of finance	<u>(46,781)</u>	<u>(65,442)</u>

### **23. TAXATION**

	2011	2010
	£	£
Taxation	<u>(51,826)</u>	<u>(67,088)</u>

### **24. CAPITAL EXPENDITURE**

	2011	2010
	£	£
Payments to acquire tangible fixed assets	(258,482)	(97,127)
Receipts from sale of fixed assets	15,000	18,900
Net cash outflow from capital expenditure	<u>(243,482)</u>	<u>(78,227)</u>

# **APOLLO CHEMICALS GROUP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

### **25. ACQUISITIONS AND DISPOSALS**

	2011 £	2010 £
Acquisition of shares in group undertakings	(50,250)	—
Net cash outflow from acquisitions and disposals	<u>(50,250)</u>	<u>—</u>

### **26. FINANCING**

	2011 £	2010 £
Increase in bank overdrafts	123,092	939,150
Capital element of hire purchase	(233,339)	(245,150)
Net outflow from other long-term creditors	<u>(250,000)</u>	<u>(250,000)</u>
Net cash (outflow)/inflow from financing	<u>(360,247)</u>	<u>444,000</u>

### **27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2011 £	2010 £
Increase in cash in the period	229,555	357,864
Net cash (inflow) from bank overdrafts	(123,092)	(939,150)
Cash outflow in respect of hire purchase	233,339	245,150
Net cash outflow from other long-term creditors	<u>250,000</u>	<u>250,000</u>
	<u>589,802</u>	<u>(86,136)</u>
Change in net debt	589,802	(86,136)
Net debt at 1 May 2010	(1,582,952)	(1,496,816)
Net debt at 30 April 2011	<u>£(993,150)</u>	<u>£(1,582,952)</u>

### **28. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 May 2010 £	Cash flows £	At 30 Apr 2011 £
Cash in hand and at bank	482,119	229,555	711,674
Debt due within 1 year	(1,120,148)	(123,092)	(1,243,240)
Debt due after 1 year	(250,000)	250,000	—
Hire purchase agreements	(694,923)	233,339	(461,584)
Net debt	<u>£(1,582,952)</u>	<u>£589,802</u>	<u>£(993,150)</u>

**APOLLO CHEMICALS GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 APRIL 2011**

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**29. CONTROLLING PARTY**

Mr R F Saunders, a director, controls the company as a result of controlling directly and indirectly 100% of the issued ordinary share capital