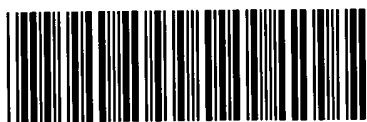


Nenplas Limited

Directors' report and financial statements

For the Period Ended 31 December 2016

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COMPANIES HOUSE

DAINS
ACCOUNTANTS

Nenplas Limited

Company Information

Directors

R Butcher
G Horrobin
S Jones
R Lumb

Company secretary

R Lumb

Registered number

05743422

Registered office

Airfield Industrial Estate
Blenheim Road
Ashbourne
Derbyshire
DE6 1HA

Independent auditors

Dains LLP
Charlotte House
Stanier Way
The Wyvern Business Park
Derby
DE21 6BF

Nenplas Limited

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**Strategic report
For the Period Ended 31 December 2016**

Business review

The principal activity of the company continued to be that of the manufacture and distribution of extruded plastic products.

On 1 December 2016 the Nenplas Group was acquired by Surteco Societas Europaea. The accounting reference date of the company was then changed to 31 December 2016 and therefore these accounts present the results for a seven month period.

The directors are pleased with the performance of the business, delivering an operating profit of £1.43m for the period (year ended 31 May 2016 - £2.78m) on turnover of £7.22m for the period (year ended 31 May 2016 - £12.44m), a 19.8% return on sales (year ended 31 May 2016 - 22.3%).

The business continued to invest in people, key business assets (tooling and other) and research and development during the period.

The business continues to satisfy all major customers in the retail, leisure, industrial, building, shop-fitting and diy sectors.

Principal risks and uncertainties

The key financial risk facing the business is credit risk, which is continually monitored by the board. Credit risk is managed by the continual monitoring of credit terms extended to customers so that the company's exposure to bad debts is minimised.

The company continues to offset the risk of competitive pressure through continual improvement in its customer focused activities, supplying a good quality, market priced product on time. It strives to reduce cost by identifying non-added value processes whilst continually pushing to exceed customer expectations.

Key performance indicators

The company supplies a number of diverse markets and continually monitors its internal and external activities using Key Performance Indicators, such as sales, gross profit and operating profit, which are monitored by the board of directors as often as is considered necessary. The board continually reviews the company balance sheet including all assets and liabilities and is confident that the company's funding structure is appropriate for both its current position and future growth.

This report was approved by the board on 20 March 2017 and signed on its behalf.



**R Lumb
Director**

**Directors' report
For the Period Ended 31 December 2016**

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

Directors

The directors who served during the period were:

R Butcher
G Horrobin
S Jones
R Lumb

Results and dividends

The profit for the period, after taxation, amounted to £1,156,000 (31 May 2016 - £2,480,000).

During the period dividends of £Nil (year ended 31 May 16 - £1,810,000) have been declared.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Future developments

Details of any significant future developments are provided in the business review in the strategic report.

Directors' report (continued)
For the Period Ended 31 December 2016

Disclosure of information to auditors


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Dains LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 March 2017 and signed on its behalf.



R Lumb
Director

Independent auditors' report to the shareholders of Nenplas Limited

We have audited the financial statements of Nenplas Limited for the period ended 31 December 2016, set out on pages 6 to 29. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council'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 Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit or loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

In the light of our 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 the Directors' report.

Independent auditors' report to the shareholders of Nenplas Limited (continued)

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, 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.



Mark Hargate FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Charlotte House, Derby

20 March 2017

Nenplas Limited

Profit and loss account For the Period Ended 31 December 2016

		7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
	Note		
Turnover	4	7,222	12,435
Cost of sales		(4,527)	(7,412)
Gross profit		2,695	5,023
Distribution costs		(405)	(692)
Administrative expenses		(723)	(1,132)
Exceptional administrative expenses	6	(175)	(421)
Other operating income		37	-
Operating profit	7	1,429	2,778
Interest receivable and similar income		9	-
Interest payable and similar expenses	12	(12)	(21)
Profit before tax		1,426	2,757
Tax on profit	13	(270)	(277)
Profit for the financial period		1,156	2,480

The notes on pages 10 to 29 form part of these financial statements.

Nenplas Limited

**Statement of comprehensive income
For the Period Ended 31 December 2016**

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Profit for the financial period	1,156	2,480
Total comprehensive income for the period	1,156	2,480

The notes on pages 10 to 29 form part of these financial statements.

Nenplas Limited
Registered number:05743422

Balance sheet
As at 31 December 2016

	Note	31 December 2016 £000	31 May 2016 £000
Fixed assets			
Intangible assets	15	95	124
Tangible assets	16	2,530	2,111
Investments	17	4,193	4,193
		<u>6,818</u>	<u>6,428</u>
Current assets			
Stocks	18	975	881
Debtors: amounts falling due after more than one year	19	532	486
Debtors: amounts falling due within one year	19	3,605	2,244
Cash at bank and in hand	20	715	753
		<u>5,827</u>	<u>4,364</u>
Creditors: amounts falling due within one year	21	(5,465)	(4,929)
Net current assets/(liabilities)		<u>362</u>	<u>(565)</u>
Total assets less current liabilities		<u>7,180</u>	<u>5,863</u>
Creditors: amounts falling due after more than one year	22	(279)	(146)
Provisions for liabilities			
Deferred tax	25	(158)	(130)
		<u>(158)</u>	<u>(130)</u>
Net assets		<u><u>6,743</u></u>	<u><u>5,587</u></u>
Capital and reserves			
Called up share capital	26	143	143
Share premium account	27	388	388
Profit and loss account	27	6,212	5,056
		<u>6,743</u>	<u>5,587</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 March 2017.



R Lumb
Director

The notes on pages 10 to 29 form part of these financial statements.

Nenplas Limited**Statement of changes in equity
For the Period Ended 31 December 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 June 2016	143	388	5,056	5,587
Profit for the period	-	-	1,156	1,156
At 31 December 2016	143	388	6,212	6,743

**Statement of changes in equity
For the Period Ended 31 May 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 June 2015	143	388	4,386	4,917
Profit for the year	-	-	2,480	2,480
Dividends: Equity capital	-	-	(1,810)	(1,810)
At 31 May 2016	143	388	5,056	5,587

The notes on pages 10 to 29 form part of these financial statements.

**Notes to the financial statements
For the Period Ended 31 December 2016**

1. General information

Nenplas Limited is a company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page.

The principal activity of the company is the manufacture and distribution of extruded and fabricated plastic products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Surteco Societas Europaea as at 31 December 2016 and these financial statements may be obtained from Johan-Viktor-Bausch-Str 2, D-86647, Buttenweisen-Pfaffenhofen, Germany.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. Depreciation is provided on the following basis:

Leasehold improvements	- 2 - 6% straight line
Plant and machinery	- 8.33% straight line
Office equipment	- 15 - 20% straight line
Tooling	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the Profit and loss account.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

2.7 Development costs

Research and development expenditure is written off in the year in which it is incurred.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.16 Leased assets: the Company as lessee

Assets obtained under hire purchase contract 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.

2.17 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in creditors as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.18 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.19 Other operating income

Other operating income represents Research and Development Expenditure Credits receivable which are recognised in income on an accruals basis, when they can be accurately measured.

**Notes to the financial statements
For the Period Ended 31 December 2016**

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and 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 balance sheet date in the countries where the Company operates and generates income.

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

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.21 Exceptional administrative expenses

Exceptional administrative expenses are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

Management is required to exercise judgement in estimating the slow moving stock provision, which takes into account the ageing of stock, its likelihood of being sold or being used in future, and its estimated resale value.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Actual results could differ from those estimated. 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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Notes to the financial statements
For the Period Ended 31 December 2016

4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

Analysis of turnover by country of destination:

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
United Kingdom	7,017	12,107
Rest of Europe	205	328
	7,222	12,435

5. Other operating income

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Research and Development Expenditure Credit	37	-
	37	-

6. Exceptional administrative expenses

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Non-recurring administrative expenses	175	421
	175	421

Notes to the financial statements
For the Period Ended 31 December 2016

7. Operating profit

The operating profit is stated after charging:

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Depreciation of tangible fixed assets	228	306
Amortisation of intangible assets, including goodwill	29	50
Exchange differences	(3)	(3)
Other operating lease rentals	144	207
Defined contribution pension cost	63	87
	=====	=====

8. Auditors' remuneration

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	18	18
	=====	=====
Other services relating to taxation	3	3
All other services	13	12
	=====	=====

**Notes to the financial statements
For the Period Ended 31 December 2016**

9. Employees

Staff costs, including directors' remuneration, were as follows:

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Wages and salaries	1,766	2,832
Social security costs	162	251
Cost of defined contribution scheme	63	87
	<u>1,991</u>	<u>3,170</u>

The average monthly number of employees, including the directors, during the period was as follows:

	7 months ended 31 December 2016 No.	Year ended 31 May 2016 No.
Production	86	78
Selling and distribution	15	17
Administration	7	10
Management	4	4
	<u>112</u>	<u>109</u>

10. Directors' remuneration

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Directors' emoluments	53	32
Company contributions to defined contribution pension schemes	51	315
	<u>104</u>	<u>347</u>

During the period retirement benefits were accruing to 4 directors (2016 - 4) in respect of defined contribution pension schemes.

Nenplas Limited

**Notes to the financial statements
For the Period Ended 31 December 2016**

11. Interest receivable

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Interest receivable from group companies	9	-
	<u>9</u>	<u>-</u>

12. Interest payable and similar charges

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Bank interest payable	5	10
Finance leases and hire purchase contracts	7	11
	<u>12</u>	<u>21</u>

13. Taxation

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Corporation tax		
Current tax on profits for the year	271	269
Adjustments in respect of previous periods	(30)	(35)
Total current tax	<u>241</u>	<u>234</u>
Deferred tax		
Origination and reversal of timing differences	21	52
Effect of tax rate change on opening balances	(8)	(9)
Adjustments in respect of prior periods	16	-
Total deferred tax	<u>29</u>	<u>43</u>
Taxation on profit on ordinary activities	<u>270</u>	<u>277</u>

Notes to the financial statements
For the Period Ended 31 December 2016

13. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period is lower than (2016 - lower than) the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:

	7 months ended 31 December 2016 £000	Year ended 31 May 2016 £000
Profit on ordinary activities before tax	1,426	2,757
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	285	551
Effects of:		
Expenses not deductible for tax purposes	3	4
Adjustments to tax charge in respect of prior periods	(30)	(35)
Adjustment in research and development leading to a decrease in the tax charge	-	(126)
Other differences leading to an increase/(decrease) in the tax charge	12	(10)
Group relief claimed	-	(107)
Total tax charge/(credit) for the period/year	270	277

14. Dividends

	31 December 2016 £000	31 May 2016 £000
Paid on 'A' Ordinary shares	-	1,810
	-	1,810

Nenplas Limited

Notes to the financial statements For the Period Ended 31 December 2016

15. Intangible assets

	Goodwill £000
Cost	
At 1 June 2016	466
At 31-December 2016	<u>466</u>
Amortisation	
At 1 June 2016	342
Charge for the year	<u>29</u>
At 31 December 2016	<u>371</u>
Net book value	
At 31 December 2016	<u>95</u>
At 31 May 2016	<u>124</u>

Notes to the financial statements
For the Period Ended 31 December 2016

16. Tangible fixed assets

	Leasehold improvements £000	Plant and machinery £000	Office equipment £000	Total £000
Cost				
At 1 June 2016	462	9,692	1,112	11,266
Additions	12	625	11	648
Disposals	-	(6)	(1)	(7)
At 31 December 2016	474	10,311	1,122	11,907
Depreciation				
At 1 June 2016	48	8,139	968	9,155
Charge for the period on owned assets	8	168	25	201
Charge for the period on financed assets	8	19	-	27
Disposals	-	(5)	(1)	(6)
At 31 December 2016	64	8,321	992	9,377
Net book value				
At 31 December 2016	410	1,990	130	2,530
At 31 May 2016	414	1,553	144	2,111

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 December 2016 £000	31 May 2016 £000
Leasehold improvements	145	153
Plant and machinery	380	142
	525	295

Nenplas Limited

Notes to the financial statements For the Period Ended 31 December 2016

17. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 June 2016	4,193
At 31 December 2016	4,193
Net book value	
At 31 December 2016	4,193
At 31 May 2016	4,193

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Polyplas Extrusions Limited	Ordinary	100 %	Manufacturing plastic extrusions
Delta Plastics Limited	Ordinary	100 %	Manufacturing plastic extrusions

The aggregate of the share capital and reserves as at 31 December 2016 and of the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit
	£000	£000
Polyplas Extrusions Limited	3,299	296
Delta Plastics Limited	1,065	32

Nenplas Limited

Notes to the financial statements For the Period Ended 31 December 2016

18. Stocks

	31 December 2016 £000	31 May 2016 £000
Raw materials and consumables	677	653
Finished goods and goods for resale	298	228
	<u>975</u>	<u>881</u>

19. Debtors

	31 December 2016 £000	31 May 2016 £000
Due after more than one year		
Amounts owed by group undertakings	532	-
Other debtors	-	486
	<u>532</u>	<u>486</u>

	31 December 2016 £000	31 May 2016 £000
Due within one year		
Trade debtors	1,949	1,744
Amounts owed by group undertakings	1,449	177
Other debtors	26	133
Prepayments and accrued income	181	190
	<u>3,605</u>	<u>2,244</u>

20. Cash and cash equivalents

	31 December 2016 £000	31 May 2016 £000
Cash at bank and in hand	715	753
	<u>715</u>	<u>753</u>

Notes to the financial statements
For the Period Ended 31 December 2016

21. Creditors: Amounts falling due within one year

	31 December 2016 £000	31 May 2016 £000
Trade creditors	1,314	1,474
Amounts owed to group undertakings	3,062	2,660
Corporation tax	145	80
Taxation and social security	471	401
Obligations under finance lease and hire purchase contracts	164	91
Other creditors	63	27
Accruals and deferred income	246	196
	5,465	4,929

Obligations under hire purchase contracts are secured on the assets to which they relate.

22. Creditors: Amounts falling due after more than one year

	31 December 2016 £000	31 May 2016 £000
Net obligations under finance leases and hire purchase contracts	279	146
	279	146

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	31 December 2016 £000	31 May 2016 £000
Within one year	164	91
Between 1-2 years	105	74
Between 2-5 years	174	72
	443	237

Notes to the financial statements
For the Period Ended 31 December 2016

24. Financial instruments

	31 December 2016 £000	31 May 2016 £000
Financial assets		
Financial assets measured at undiscounted amounts receivable	4,671	3,536
	<u>4,671</u>	<u>3,536</u>
Financial liabilities		
Financial liabilities measured at undiscounted amounts payable	(4,882)	(4,438)
	<u>(4,882)</u>	<u>(4,438)</u>

Financial assets measured at undiscounted amounts receivable comprise trade debtors, amounts owed by group undertakings, other debtors and cash at bank and in hand.

Financial liabilities measured at undiscounted amounts payable comprise trade creditors, amounts owed to group undertakings, obligations under finance lease and hire purchase contracts and other creditors.

25. Deferred taxation

	2016 £000	2016 £000
At beginning of period	130	87
Charged to the profit or loss	28	43
At end of period	<u>158</u>	<u>130</u>

The provision for deferred taxation is made up as follows:

	31 December 2016 £000	31 May 2016 £000
Accelerated capital allowances	159	133
Short term timing differences	(1)	(3)
	<u>158</u>	<u>130</u>

**Notes to the financial statements
For the Period Ended 31 December 2016**

26. Share capital

	31 December 2016 £	31 May 2016 £
Shares classified as equity		
Allotted, called up and fully paid		
10,000,000 A Ordinary shares of £0.01 each	100,000	100,000
6,666,667 B Ordinary shares of £0.001 each	6,667	6,667
18,109,367 C Ordinary shares of £0.001 each	18,109	18,109
1,515,151 Deferred shares of £0.001 each	1,515	1,515
1,674,000 E Ordinary shares of £0.01 each	16,740	16,740
	143,031	143,031

The 'A' and 'B' shares have the following rights

- One vote per share
- Capital equally split after receiving issue price back, subject to the ratchet
- Rights to proceed on sale are on the same basis as capital, after the returns to the holders of the 'C' ordinary shares
- Rights to dividends on the same basis as capital
- No redemption rights

The deferred shares have the following rights

- No voting rights
- Share equally in dividends once the holders of the 'A' and 'B' ordinary shares have received £1,000,000 per share of dividends
- Rights to proceed on sale are as per the dividend rights, to a maximum of £1 per share
- No redemption rights

The 'C' shares have the following rights

- No voting rights
- Rights to capital are to receive back the issue price once the 'A' and 'B' ordinary shareholders have received £1,000,000 per share then a further £1 per share
- The right on sale is the 'C' share value, as defined within the Articles of Association of the company, in priority to other payments
- Share equally in dividends with 'A' and 'B' ordinary shares once the 'A' and 'B' ordinary shares have received £1,000,000 per share
- No redemption rights

The 'E' ordinary shares have the following rights

- One vote per share
- Share equally in dividends with the 'A' and 'B' ordinary shares, once the 'A' and 'B' ordinary shares have received £1,000,000 per share
- Rights to capital are to receive back the issue price once the 'A' and 'B' ordinary shareholders have received £1,000,000 per share then a further £1 per share
- No redemption rights

Notes to the financial statements
For the Period Ended 31 December 2016

27. Reserves

Share premium

The share premium account represents the difference between the par value of the shares issued and the subscription or issue price.

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

28. Capital commitments

At 31 December 2016 the Company had capital commitments as follows:

	31 December 2016 £000	31 May 2016 £000
Contracted for but not provided in these financial statements	165	-

29. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered scheme.

The pension cost charge represents contributions payable by the company to the scheme and amounted to £93,000 (year ended 31 May 2016 - £372,000). An amount of £11,000 (31 May 2016 - £14,000) was outstanding at the year end and is included within creditors.

Notes to the financial statements
For the Period Ended 31 December 2016

30. Commitments under operating leases

At 31 December 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	31 December 2016 £000	31 May 2016 £000
Not later than 1 year	225	225
Later than 1 year and not later than 5 years	900	900
Later than 5 years	1,812	2,062
	2,937	3,187
	31 December 2016 £000	31 May 2016 £000
Not later than 1 year	92	99
Later than 1 year and not later than 5 years	149	182
Later than 5 years	-	2
	241	283

31. Related party transactions

During the period the company made purchases of goods of £48,357 from Polyplas Extrusions Limited, a subsidiary company (year ended 31 May 2016 - £37,738). At the balance sheet date £2,423,436 (31 May 2016 - £2,216,046) was owed to Polyplas Extrusions Limited. Also during the period the company made sales of £93,528 (year ended 31 May 2016 - £125,771) to Polyplas Extrusions Limited.

During the period the company made purchases of goods of £9,132 from Delta Plastics Limited, a subsidiary company (year ended 31 May 2016 - £13,299) for. At the balance sheet date £638,559 (31 May 2016 - £443,559) was owed to Delta Plastics Limited. Also during the period the company made sales of £272,825 (year ended 31 May 2016 - £621,849) to Delta Plastics Limited.

During the period the company loaned £27,647 (year ended 31 May 2016 - £627,261) to Nenplas Properties Limited, a fellow subsidiary company, and paid expenses totalling £3,000 (year ended 31 May 2016 - £Nil) on behalf of Nenplas Properties Limited. Interest is charged on the loan at 2.75% per annum. During the period, interest of £1,368 (year ended 31 May 2016 - £14,107) was charged and repayments of £46,368 (year ended 31 May 2016 - £41,107) were made. At the balance sheet date £585,908 (31 May 2016 - £600,261) was due from Nenplas Properties.

At the balance sheet date, £1 (31 May 2016 - £1) was due from Nenplas Properties Holdings Limited, a fellow subsidiary company.

32. Controlling party

The immediate parent company undertaking is Nenplas Holdings Limited, a company incorporated in England and Wales.

Following an acquisition on 1 December 2016, the ultimate parent undertaking is Surteco Societas Europaea, a company registered in Germany.

The smallest and largest group in which the company's results are consolidated is that headed by Surteco Societas Europaea, a company registered in Germany. The registered address of Surteco Societas Europaea is: Johan-Viktor-Bausch-Str 2, D-86647, Buttenweissen-Pfaffenhofen, Germany.