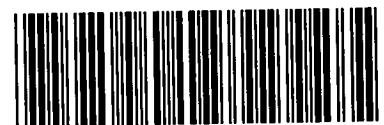


**Registration number 06303883**

**Rosehill Polymers Group Limited**  
**Directors' report and consolidated financial statements**  
**for the year ended 31 March 2014**

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## **Rosehill Polymers Group Limited**

### **Company information**

Directors	J M Hopkinson A H Celik W J Stevens
Secretary	A J F Longbottom
Company number	06303883
Registered office	Rose Hill Mills Beech Road Sowerby Bridge HX6 2JT
Auditors	BM Howarth Ltd West House King Cross Road Halifax West Yorkshire HX1 1EB
Bankers	The Co-operative Bank Leeds Corporate Banking Centre 14 King Street Leeds LS1 2HL

## **Rosehill Polymers Group Limited**

### **Contents**

	<b>Page</b>
Strategic report	<b>1 - 2</b>
Directors' report	<b>3 - 4</b>
Auditors' report	<b>5 - 6</b>
Group profit and loss account	<b>7</b>
Group balance sheet	<b>8</b>
Company balance sheet	<b>9</b>
Cash flow statement	<b>10</b>
Notes to the financial statements	<b>11 - 24</b>

## **Rosehill Polymers Group Limited**

### **Strategic report for the year ended 31 March 2014**

#### **Principal activity**

The principal activities of the company and its subsidiary undertakings ('the group'), continue to be the manufacture and supply of binders, elastomers and other polymeric products utilised in sports and safety surfacing, manufacturing, transportation and heavy industrial applications.

#### **Business review**

The group continues to develop its strategy of market and product diversification underpinned by its globally acknowledged expertise with material science innovation.

The directors are satisfied with the results of the year. Turnover has increased over the previous year by 7.3% to £22.5m with pre-tax profits up from £715k to £834k. Further details of turnover by geographical segment are given in note 2 of the accounts.

#### **Financial risks and uncertainties**

Competition and threat to market share is a key risk to the group. The risk is alleviated by continuing to develop quality products at competitive prices and reacting efficiently to customers' requirements. The company is partly financed by bank loans, overdraft and invoice discounting facilities, so is exposed to interest rate fluctuations. Cashflow is carefully managed to minimise the risk and the level of the facilities used.

#### **Research and development**

Using both internal expertise and external consultants the group continually invests in research and development into new products and processes. The group will continue to invest in research and development that has a suitable return.

#### **Employees**

Details of the number of employees and related costs are shown in note 6 of the financial statements.

#### **Environmental policy**

The group recognises the importance of its environmental responsibilities and attempts to minimise its impact on the environment, including safe disposal of waste, recycling and reducing energy consumption.

#### **Payments of creditors**

It is the group's policy to ensure that suppliers are aware of the group's terms of payment, and that these terms are agreed at the commencement of business with each supplier. Payments are made in accordance with the payment terms and conditions agreed.

#### **Purchase of own shares**

During the year the company purchased 198,443 Ordinary B £1 shares from existing shareholders, for a consideration of £198,443. The shares were subsequently cancelled.

## **Rosehill Polymers Group Limited**

### **Strategic report for the year ended 31 March 2014**

#### **Future developments**

The group continues to build its market share through close focus on, and delivery of, customer requirements. The prospects for the year to 31 March 2015 are very encouraging with the directors looking to increase the group's overseas revenue.

On 30 April 2014 the company purchased 50,000 Ordinary B £1 shares from existing shareholders, for a consideration of £50,000. The shares were subsequently cancelled.

This report was approved by the Board on 14 August 2014 and signed on its behalf by

**A H Celik**  
**Director**

A handwritten signature in black ink, consisting of a stylized 'M' shape with a vertical line on the left and a curved line on the right.

## **Rosehill Polymers Group Limited**

### **Directors' report for the year ended 31 March 2014**

The directors present their report and the financial statements for the year ended 31 March 2014.

#### **Change of company name**

The company name was changed from Technopolymer Limited on 2 October 2013.

#### **Results and dividends**

The results for the year are set out on page 7

The directors have paid an interim dividend amounting to £152,160 and they do not recommend payment of a final dividend.

#### **Directors and their interests**

The directors who served during the year and their respective interests in the company are stated below:

	<b>Class of share</b>	<b>31/03/14</b>	<b>01/04/13</b>
J M Hopkinson	Ordinary shares	629,228	629,228
A H Celik	Ordinary shares	314,614	314,614
W J Stevens	Ordinary shares	153,471	153,471

#### **Statement of directors' responsibilities**

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

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

- select suitable accounting policies and 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 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.

at the date of approval of this report that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Rosehill Polymers Group Limited**

**Directors' report  
for the year ended 31 March 2014**

**Strategic Report**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has disclosed information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the company's strategic report.

**Auditors**

BM Howarth Ltd are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 14 August 2014 and signed on its behalf by

**A H Celik  
Director**

A handwritten signature in black ink, consisting of a stylized 'M' followed by a long horizontal stroke and a sharp upward curve.

## **Independent auditor's report to the shareholders of Rosehill Polymers Group Limited**

We have audited the financial statements of Rosehill Polymers Group Limited for the year ended 31 March 2014 which comprise the Group Profit and Loss Account, the Group Balance Sheet and the Company Balance Sheet, the Group Cash Flow Statement, the Reconciliation of Movements in Shareholders' Funds 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 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 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 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 Directors' report and financial statements 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 of our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and company's affairs as at 31 March 2014 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.

### **Opinion on other matter prescribed by the Companies Act 2006.**

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

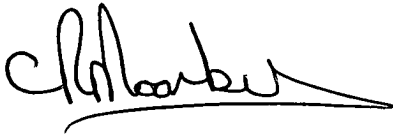


**Independent auditor's report to the shareholders of  
Rosehill Polymers Group Limited**

**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.



**Charles R Moorby (senior statutory auditor)  
For and on behalf of BM Howarth Ltd  
Chartered Accountants and  
Statutory Auditor  
14 August 2014**

**West House  
King Cross Road  
Halifax  
West Yorkshire  
HX1 1EB**

# Rosehill Polymers Group Limited

## Group profit and loss account for the year ended 31 March 2014

		2014	2013
	Notes	£	£
<b>Turnover</b>	<b>2</b>	22,549,619	21,013,021
Cost of sales		(16,330,138)	(15,345,842)
<b>Gross profit</b>		6,219,481	5,667,179
Distribution costs		(585,695)	(590,324)
Administrative expenses		(4,601,007)	(4,194,431)
Other operating income		102,360	101,072
<b>Operating profit</b>	<b>3</b>	1,135,139	983,496
Interest payable	<b>4</b>	(301,180)	(268,584)
<b>Profit on ordinary activities before taxation</b>		833,959	714,912
Tax on profit on ordinary activities	<b>7</b>	(17,317)	(102,372)
<b>Profit for the year</b>	<b>19</b>	816,642	612,540
Retained profit brought forward		1,097,483	684,835
Reserve movements	<b>19</b>	(350,603)	(199,892)
<b>Retained profit carried forward</b>		1,563,522	1,097,483

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The results for the above two financial years arise from continuing operations.

The notes on pages 12 to 25 form an integral part of these financial statements.

**Rosehill Polymers Group Limited**

**Group balance sheet  
as at 31 March 2014**

		2014		2013	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	10		1,432,250		1,425,020
Tangible assets	11		7,804,377		7,166,328
			<u>9,236,627</u>		<u>8,591,348</u>
<b>Current assets</b>					
Stocks	13	3,447,143		3,292,540	
Debtors	14	4,787,427		4,026,529	
Cash at bank and in hand		25		962	
		<u>8,234,595</u>		<u>7,320,031</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(8,742,862)</u>		<u>(7,857,322)</u>	
<b>Net current liabilities</b>			<u>(508,267)</u>		<u>(537,291)</u>
<b>Total assets less current liabilities</b>			8,728,360		8,054,057
<b>Creditors: amounts falling due after more than one year</b>	16		(2,382,568)		(2,195,732)
<b>Provisions for liabilities</b>	17		<u>(572,595)</u>		<u>(551,167)</u>
<b>Net assets</b>			<u>5,773,197</u>		<u>5,307,158</u>
<b>Capital and reserves</b>					
Called up share capital	18		3,925,232		4,123,675
Other reserves	19		284,443		86,000
Profit and loss account	19		1,563,522		1,097,483
<b>Shareholders' funds</b>	20		<u>5,773,197</u>		<u>5,307,158</u>

The financial statements were approved by the Board on 14 August 2014 and signed on its behalf by

J M Hopkinson  
Director



Registration number 06303883

The notes on pages 12 to 25 form an integral part of these financial statements.


**Rosehill Polymers Group Limited**

**Company balance sheet  
as at 31 March 2014**

		2014	2013
	Notes	£	£
<b>Fixed assets</b>			
Investments	12	4,184,012	4,184,012
<b>Net current assets</b>			
Debtors	14	25,663	25,663
<b>Total assets less current liabilities</b>		4,209,675	4,209,675
<b>Net assets</b>		4,209,675	4,209,675
<b>Capital and reserves</b>			
Called up share capital	18	3,925,232	4,123,675
Other reserves		284,443	86,000
<b>Shareholders' funds</b>	20	4,209,675	4,209,675

The financial statements were approved by the Board on 14 August 2014 and signed on its behalf by

**J M Hopkinson**  
**Director**



**Registration number 06303883**

**The notes on pages 12 to 25 form an integral part of these financial statements.**

# Rosehill Polymers Group Limited

## Group Cash flow statement for the year ended 31 March 2014

	Notes	2014 £	2013 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		1,135,139	983,496
Depreciation and amortisation		665,491	552,000
Profit on disposal of tangible assets		(48)	(11,662)
(Increase) in stocks		(154,603)	(124,163)
(Increase) in debtors		(759,978)	361,230
Increase in creditors		47,423	143,853
<b>Net cash inflow from operating activities</b>		<u>933,424</u>	<u>1,904,754</u>
<b>Cash flow statement</b>			
Net cash inflow from operating activities		933,424	1,904,754
Interest paid	4	(301,180)	(268,584)
Taxation		(2,977)	33,012
Capital expenditure	24	(1,310,722)	(1,581,316)
		(681,455)	87,866
Equity dividends paid	8	(152,160)	(113,892)
		(833,615)	(26,026)
Financing	24	227,485	306,751
<b>Increase / (Decrease) in cash in the year</b>		<u>(606,130)</u>	<u>280,725</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase / (Decrease) in cash in the year</b>	25	(606,130)	280,725
<b>Net debt at 1 April 2013</b>	25	<u>(3,082,800)</u>	<u>(3,363,525)</u>
<b>Net debt at 31 March 2014</b>	25	<u>(3,688,930)</u>	<u>(3,082,800)</u>

## **Rosehill Polymers Group Limited**

### **Notes to the financial statements for the year ended 31 March 2014**

#### **1. Accounting policies**

##### **Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

##### **Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year. Income is recognised at the point of sale when, the goods are despatched.

##### **Goodwill**

Goodwill arising on consolidation is not amortised since in the opinion of the directors its present carrying value represents their estimate of the current value of goodwill within the group. The directors annually review the carrying value in conjunction with their assessment of any reduction in the useful economic life of the goodwill.

The subsidiary's purchase of goodwill was completed in October 2013. Goodwill has been amortised over the estimated life of the additional revenue stream of 10 years.

##### **Research and development**

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

##### **Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	2% per annum
Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	2% - 25% straight line
Fixtures, fittings and equipment	-	10% - 33% straight line

##### **Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period.

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

##### **Stock**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

## Rosehill Polymers Group Limited

### Notes to the financial statements for the year ended 31 March 2014

#### Accounting policies continued

##### Pensions

The pension costs charged in the financial statements represent the contribution payable by the group during the year.

##### Deferred taxation

Deferred taxation is recognised on a full provision basis on all timing differences which have originated but not reversed, at the balance sheet date. Timing differences represent accumulated differences between the company's taxable profit and its financial profit and arise primarily from the difference between accelerated capital allowances and depreciation. Deferred taxation has been discounted using a discount factor of 4%.

##### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

#### 2. Turnover

	2014 £	2013 £
<b>Geographical market</b>		
UK	12,871,421	11,667,324
Europe	3,930,746	3,628,219
North America, Australia and Far East	5,747,452	5,717,478
	<u>22,549,619</u>	<u>21,013,021</u>

#### 3. Operating profit

	2014 £	2013 £
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	11,120	-
Depreciation and other amounts written off tangible assets	654,371	552,000
Research and development		
- expenditure in current year	17,746	11,705
Operating lease rentals		
- Motor vehicles	169,646	81,793
Auditors' remuneration - audit	12,000	12,000
- accountancy and tax services	15,000	15,000
	<u></u>	<u></u>
and after crediting:		
Profit on disposal of tangible fixed assets	48	11,662
Government grants	3,000	6,129
	<u></u>	<u></u>

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

4. Interest payable	2014	2013
	£	£
Bank interest	178,860	184,234
Hire purchase interest	122,320	84,350
	<u>301,180</u>	<u>268,584</u>

### 5. Employees

#### Number of employees

2014

2013

The average monthly numbers of employees  
(including the directors) during the year were:

Laboratory and production	52	49
Administration and sales	28	28
	<u>80</u>	<u>77</u>

#### Employment costs

2014

2013

£

£

Wages and salaries	2,546,064	2,175,845
Social security costs	261,256	237,295
Pension costs-other operating charge	33,090	30,454
	<u>2,840,410</u>	<u>2,443,594</u>

#### Directors' remuneration

Remuneration and other emoluments	172,684	163,909
Pension contributions	3,120	3,120
	<u>175,804</u>	<u>167,029</u>

Number

Number

Number of directors to whom retirement benefits  
are accruing under a money purchase scheme

1

1

### 6. Pension costs

The group operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the group and amounted to £33,090 (2013 - £30,454).



# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

### 7. Tax on profit on ordinary activities

Analysis of charge in period	2014 £	2013 £
<b>Current tax</b>		
UK corporation tax	-	4,111
Adjustments in respect of previous periods	(4,111)	-
	<u>(4,111)</u>	<u>4,111</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	87,864	98,261
Effect of changes in tax rates	(66,436)	-
Tax on profit on ordinary activities	<u>17,317</u>	<u>102,372</u>

### Factors affecting tax charge for period

The tax assessed for the period is lower than the effective rate of corporation tax in the UK (23.00 per cent). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before taxation	<u>833,959</u>	<u>714,912</u>
Profit on ordinary activities multiplied by effective rate of corporation tax in the UK of 23.00% (31 March 2013 : 23.00%)	191,811	164,430
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2,758	3,774
Deferred tax discount unwinding	1,488	-
Research and development allowance	(90,493)	(80,116)
Adjustments in respect of previous periods	(4,111)	-
Effect of changes in tax rates	(66,436)	-
Marginal tax rates	(3,416)	-
Short term timing differences origination and reversal	(14,284)	14,284
Current tax charge for period	<u>17,317</u>	<u>102,372</u>

### Factors that may affect future tax charges

The group has offset profits of £207,674 against taxable losses brought forward. The group has taxable losses of £93,767 available to carry forward and offset against future trading profits.

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

8. Dividends	2014 £	2013 £
Equity dividends on Ordinary A shares paid during the year	<u>152,160</u>	<u>113,892</u>

### 9. Profit for the year attributable to shareholders

As permitted by Section 480 of the Companies Act 2006 the Profit and Loss Account of Rosehill Polymers Group Limited has not been presented with the financial statements.

The results after taxation of the company show a profit of £350,603 (2013: £199,892).

### 10. Intangible fixed assets

Group	Goodwill £	Total £
<b>Cost</b>		
At 1 April 2013	1,425,020	1,425,020
Additions	<u>18,350</u>	<u>18,350</u>
At 31 March 2014	<u>1,443,370</u>	<u>1,443,370</u>
<b>Amortisation</b>		
Charge for year	<u>11,120</u>	<u>11,120</u>
At 31 March 2014	<u>11,120</u>	<u>11,120</u>
<b>Net book values</b>		
At 31 March 2014	<u>1,432,250</u>	<u>1,432,250</u>
At 31 March 2013	<u>1,425,020</u>	<u>1,425,020</u>

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

11. Tangible fixed assets	Land and buildings freehold £	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Group</b>					
<b>Cost</b>					
At 1 April 2013	2,326,626	344,959	9,742,567	1,006,893	13,421,045
Additions	114,328	-	971,791	206,853	1,292,972
Disposals	-	-	(690)	-	(690)
At 31 March 2014	2,440,954	344,959	10,713,668	1,213,746	14,713,327
<b>Depreciation</b>					
At 1 April 2013	716,362	301,655	4,424,250	812,450	6,254,717
On disposals	-	-	(138)	-	(138)
Charge for the year	38,329	22,021	491,308	102,713	654,371
At 31 March 2014	754,691	323,676	4,915,420	915,163	6,908,950
<b>Net book values</b>					
At 31 March 2014	1,686,263	21,283	5,798,248	298,583	7,804,377
At 31 March 2013	1,610,264	43,304	5,318,317	194,443	7,166,328

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2014		2013	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	3,007,793	154,181	2,000,795	126,767

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

12. Fixed asset investments- Company	Subsidiary undertakings shares £	Total £
<b>Cost</b>		
At 1 April 2013 and 31 March 2014	4,184,012	4,184,012
<b>Net book values</b>		
At 31 March 2013 and 31 March 2014	4,184,012	4,184,012

The company holds 100% of the ordinary share capital of the following company incorporated in Great Britain:

Subsidiary undertaking	Nature of subsidiary's activities
Rosehill Polymers Limited	Manufacture and supply of binders, elastomers and other polymeric products utilised in sports and safety surfacing, manufacturing, transportation and heavy industrial applications.

At 31 March 2014 Rosehill Polymers Limited had capital and reserves of £4,907,524 and had made a profit for the year of £817,419.

13. Stocks	2014 £	2013 £
<b>Group</b>		
Raw materials and consumables	1,423,693	1,364,100
Finished goods and goods for resale	2,023,450	1,928,440
	3,447,143	3,292,540

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

<b>14. Debtors</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Trade debtors	4,531,391	3,709,547
Other debtors	3,897	35,520
Prepayments and accrued income	252,139	281,462
	<u>4,787,427</u>	<u>4,026,529</u>
<b>Company</b>		
Amounts owed by group undertaking	<u>25,663</u>	<u>25,663</u>
<b>15. Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Bank overdraft	562,027	749,447
Bank loan	54,000	54,000
Invoice discounting	3,126,928	2,334,315
Net obligations under finance leases and hire purchase contracts	747,313	508,221
Trade creditors	3,646,005	3,306,568
Corporation tax	920	7,088
Other taxes and social security costs	425,309	416,594
Accruals and deferred income	180,360	481,089
	<u>8,742,862</u>	<u>7,857,322</u>

Bank borrowings shown above and in note 16 are secured against assets of the group and by personal guarantees given by the directors.

Obligations under finance leases and hire purchase contracts shown above and in note 16 are secured on the assets to which they relate.

The invoice discounting creditor is secured on the book debts of Rosehill Polymers Limited.

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

<b>16. Creditors: amounts falling due after more than one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Bank loan	932,846	988,736
Other loan	50,000	50,000
Directors' loan	60,784	60,784
Net obligations under finance leases and hire purchase contracts	1,338,938	1,096,212
	<u>2,382,568</u>	<u>2,195,732</u>
<b>Loans</b>		
Repayable in five years or more by instalments	<u>716,846</u>	<u>772,736</u>
<b>17. Provision for deferred taxation</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Accelerated capital allowances	717,277	749,778
Tax losses carried forward	(19,691)	(67,150)
Undiscounted provision for deferred tax	697,586	682,628
Discount	(124,991)	(131,461)
Discounted provision for deferred tax	<u>572,595</u>	<u>551,167</u>
Provision at 1 April 2013	551,167	
Deferred tax charge in profit and loss account	21,428	
Provision at 31 March 2014	<u>572,595</u>	

The provision has been discounted using a discount factor of 4%.

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

18. Share capital	2014 £	2013 £
<b>Allotted, called up and fully paid equity shares</b>		
2,194,625 Ordinary A shares of £1 each	2,194,625	2,194,625
1,730,607 Ordinary B shares of £1 each	1,730,607	1,929,050
	<u>3,925,232</u>	<u>4,123,675</u>

Under the terms of a Shareholders' Agreement dated 16 March 2011:

a) The Ordinary B shareholders shall (regardless of the number of Ordinary B shares in issue) be entitled to exercise 20% of the voting rights at any general meeting of the company. As between the shareholders the voting rights shall be divided pro-rata on the basis of the number of Ordinary B shares held to the relative total number of Ordinary B shares in issue provided always that at any time each Ordinary B shareholder shall be entitled to exercise a minimum of 5% of the voting rights at any general meeting of the company.

b) The Ordinary A shareholders and the company shall procure that the company has during the year purchased a minimum 50,000 Ordinary B £1 shares at par value until all Ordinary B shares have been purchased and cancelled.

During the year, the company purchased 198,443 Ordinary B £1 shares from existing shareholders, for a consideration of £198,443. The shares were subsequently cancelled.

On 30 April 2014, the company purchased 50,000 Ordinary B £1 shares from existing shareholders, for a consideration of £50,000. The shares were subsequently cancelled.

The company has made a post-year end commitment to purchase a further 24,513 Ordinary B £1 shares from existing shareholders for a consideration of £24,513. The shares will subsequently be cancelled.

**Rosehill Polymers Group Limited**

**Notes to the financial statements  
for the year ended 31 March 2014**

<b>19. Equity Reserves</b>	<b>Profit and loss account £</b>	<b>Capital redemption reserve £</b>	<b>Total £</b>
<b>Group</b>			
<b>At 1 April 2013</b>	1,097,483	86,000	1,183,483
Profit for the year	816,642	-	816,642
Purchase of own shares	(198,443)	198,443	-
Equity Dividends	(152,160)	-	(152,160)
<b>At 31 March 2014</b>	<u>1,563,522</u>	<u>284,443</u>	<u>1,847,965</u>
	<b>Profit and loss account £</b>	<b>Capital redemption reserve £</b>	<b>Total £</b>
<b>Company</b>			
<b>At 1 April 2013</b>	-	86,000	86,000
Profit for the year	350,603	-	350,603
Purchase of own shares	(198,443)	198,443	-
Equity Dividends	(152,160)	-	(152,160)
<b>At 31 March 2014</b>	<u>-</u>	<u>284,443</u>	<u>284,443</u>



# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

20. Reconciliation of movements in shareholders' funds	2014 £	2013 £
<b>Group</b>		
Profit for the year	816,642	612,540
Dividends	(152,160)	(113,892)
	<u>664,482</u>	<u>498,648</u>
Purchase of own shares	(198,443)	(86,000)
	<u>466,039</u>	<u>412,648</u>
Net addition to shareholders' funds	5,307,158	4,894,510
Opening shareholders' funds	<u>5,773,197</u>	<u>5,307,158</u>
Closing shareholders' funds	<u>5,773,197</u>	<u>5,307,158</u>
<b>Company</b>		
Profit for the year	350,603	199,892
Dividends paid	(152,160)	(113,892)
Purchase of own shares	(198,443)	86,000
	<u>-</u>	<u>-</u>
Net addition to shareholders' funds	4,209,675	4,209,675
Opening and closing shareholders' funds	<u>4,209,675</u>	<u>4,209,675</u>

## 21. Financial commitments - Group

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
<b>Expiry date:</b>				
Within one year	175,000	175,000	73,489	45,844
Between one and five years	-	-	127,242	36,725
	<u>175,000</u>	<u>175,000</u>	<u>200,731</u>	<u>82,569</u>

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

### 22. Related party transactions

During the year the directors received the following dividends:

	2014 £	2013 £
J M Hopkinson	87,250	65,307
A H Celik	43,631	32,658
W Stevens	21,279	15,927
	<u>152,160</u>	<u>113,892</u>

During the year the group paid an open market value rent totalling £45,000 (2013: £45,000) to the Rosehill Pension Fund for the rental of a property that the group has traded from throughout the year.

### 23. Controlling interest

The company was controlled throughout the year by the directors and their immediate family members through their collective ownership of the majority of the ordinary share capital.

### 24. Gross cash flows

	2014 £	2013 £
<b>Capital expenditure</b>		
Payments to acquire intangible assets	(18,350)	(408,593)
Payments to acquire tangible assets	(1,292,972)	(935,974)
Receipts from sales of tangible assets	600	13,251
	<u>(1,310,722)</u>	<u>(1,331,316)</u>
<b>Financing</b>		
Purchase of own shares	(198,443)	(86,000)
Repayment of long term bank loan	(55,890)	(54,239)
Capital element of hire purchase contracts	481,818	446,990
	<u>227,485</u>	<u>306,751</u>

# Rosehill Polymers Group Limited

## Notes to the financial statements for the year ended 31 March 2014

25. Analysis of changes in net funds	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	962	(937)	25
Overdrafts	(749,447)	187,420	(562,027)
Invoice discounting	(2,334,315)	792,613	(3,126,928)
	<u>(3,082,800)</u>	<u>(606,130)</u>	<u>(3,688,930)</u>
Bank loan	(1,042,736)	55,890	(986,846)
Hire purchase contracts	(1,604,433)	(481,818)	(2,086,251)
<b>Net funds</b>	<u><u>(5,729,969)</u></u>	<u><u>(1,032,058)</u></u>	<u><u>(6,762,027)</u></u>