

REGISTERED NUMBER: 06411536 (England and Wales)

**Audited Financial Statements
for the Year Ended 31 July 2018**

for

**Nekem Limited
T/A Nekem Packaging**



Nekem Limited (Registered number: 06411536)
T/A Nekem Packaging

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for the Year Ended 31 July 2018

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**Nekem Limited
T/A Nekem Packaging**

**Company Information
for the Year Ended 31 July 2018**

DIRECTORS:

Mr M J Duffell
Mrs V A Duffell
Mr A M Duffell
Mr M S Duffell
Mr D Taylor
Ms V A Moody
Mr M J Gwinnett

SECRETARY:

Mr M J Duffell

REGISTERED OFFICE:

North Works
Guilden Sutton Lane
Guilden Sutton
Chester
Cheshire
CH3 7EX

REGISTERED NUMBER:

06411536 (England and Wales)

AUDITORS:

Wilson Henry LLP
Statutory Auditor
Chartered Accountants
145 Edge Lane
Liverpool
L7 2PF

Nekem Limited (Registered number: 06411536)
T/A Nekem Packaging

Abridged Balance Sheet
31 July 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	4	-	-
Tangible assets	5	84,965	75,694
		<u>84,965</u>	<u>75,694</u>
CURRENT ASSETS			
Stocks		1,345,622	1,382,303
Debtors		694,108	997,200
Cash at bank and in hand		414,346	518,482
		<u>2,454,076</u>	<u>2,897,985</u>
CREDITORS			
Amounts falling due within one year		<u>2,006,498</u>	<u>1,866,196</u>
NET CURRENT ASSETS		<u>447,578</u>	<u>1,031,789</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		532,543	1,107,483
CREDITORS			
Amounts falling due after more than one year	6	200,770	263,339
NET ASSETS		<u>331,773</u>	<u>844,144</u>
CAPITAL AND RESERVES			
Called up share capital		1	1
Retained earnings		<u>331,772</u>	<u>844,143</u>
SHAREHOLDERS' FUNDS		<u>331,773</u>	<u>844,144</u>

The notes form part of these financial statements

Nekem Limited (Registered number: 06411536)
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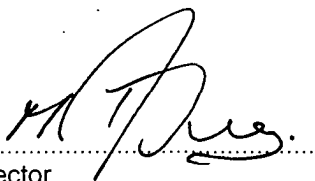
Abridged Balance Sheet - continued
31 July 2018

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

All the members have consented to the preparation of an abridged Income Statement and an abridged Balance Sheet for the year ended 31 July 2018 in accordance with Section 444(2A) of the Companies Act 2006.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 17/04/2019 and were signed on its behalf by:



Mr M J Duffell - Director

The notes form part of these financial statements

Nekem Limited (Registered number: 06411536)
T/A Nekem Packaging

Notes to the Financial Statements
for the Year Ended 31 July 2018

1. STATUTORY INFORMATION

Nekem Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents net invoiced sales of goods, net of trade discounts and excluding value added tax.

Turnover is recognised once the risks and rewards associated with the products being sold are transferred to the customer on their delivery.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	- Straight line over 3 years
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

The Company has a policy of carrying out periodic revaluations of freehold property. Where a revaluation has been undertaken the value of freehold property in the accounts is adjusted to reflect the market valuation.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Nekem Limited (Registered number: 06411536)
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Notes to the Financial Statements - continued
for the Year Ended 31 July 2018

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions denominated in foreign currencies are translated into pound sterling using the spot rate of exchange ruling at the date of the transaction.

Unsettled monetary assets and liabilities denominated in foreign currencies are retranslated into pound sterling using the closing rate of exchange ruling at the balance sheet date. On settlement, an exchange gain or loss is recognised as the difference between the initial value of the asset or liability and the value of the receipt or payment required for settlement.

All exchange gains or losses on settled transactions and unsettled monetary items are reported as part of the profit or loss for the period from ordinary activities.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefit trusts

The Company has purchased and established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion.

Where the Company retains future economic benefit from, and has de facto control of the assets and the liabilities of the trust, they are accounted for as assets and liabilities of the Company until the earlier of the date that an allocation of trust funds to employees of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by a Company on the basis of employees' past services to the business and the Company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the Company are charged to the profit and loss account in the period to which they relate.

Nekem Limited (Registered number: 06411536)
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Notes to the Financial Statements - continued
for the Year Ended 31 July 2018

2. ACCOUNTING POLICIES - continued

Derivatives

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 12 (2017 - 14).

4. INTANGIBLE FIXED ASSETS

	Totals £
COST	
At 1 August 2017	
and 31 July 2018	3,727,111
AMORTISATION	
At 1 August 2017	
and 31 July 2018	3,727,111
NET BOOK VALUE	
At 31 July 2018	-
At 31 July 2017	-

5. TANGIBLE FIXED ASSETS

	Totals £
COST	
At 1 August 2017	327,041
Additions	29,459
At 31 July 2018	356,500
DEPRECIATION	
At 1 August 2017	251,347
Charge for year	20,188
At 31 July 2018	271,535
NET BOOK VALUE	
At 31 July 2018	84,965
At 31 July 2017	75,694

Nekem Limited (Registered number: 06411536)
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Notes to the Financial Statements - continued
for the Year Ended 31 July 2018

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN FIVE YEARS

	2018 £	2017 £
Repayable by instalments		
Bank loans over 5 years	-	35,002
	<u> </u>	<u> </u>

OTHER CREDITORS - FINANCIAL INSTRUMENTS

The Company entered into an interest rate collar agreement in order to manage the risk of exposure to variable interest rate movements on a loan for rates outside of the collar interest rates. The term of the agreement expires on April 2023 with a floor rate of 4.5% and a cap rate of 6%.

The objective is to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk.

7. SECURED DEBTS

The following secured debts are included within creditors:

	2018 £	2017 £
Bank loans	221,669	268,336
	<u> </u>	<u> </u>

These debts are secured by way of:

1. Corporate cross guarantee between all companies within the group headed up by Lendlock Group Limited dated April 2008.

2. Mortgage debenture given by the Company dated April 2008.

8. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Hilene S Henry (Senior Statutory Auditor)
for and on behalf of Wilson Henry LLP

Nekem Limited (Registered number: 06411536)
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Notes to the Financial Statements - continued
for the Year Ended 31 July 2018

9. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

This includes the following Companies:

- Lendlock International Limited
- Scott Closures International Limited
- Special Anodising Company Limited
- F-L Plastics Limited

The company has also chosen not to disclose transactions with other subsidiaries, as these transactions have been carried out under normal market conditions.

10. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

11. CONTROLLING PARTY

The Company's controlling party is deemed to be Lendlock Group Limited, by virtue of its 100% holding in the Company's issued share capital. Voting rights follow the shareholdings. The results of the Company is consolidated at Lendlock Group Limited and the consolidated financial statements of the group are available from Lendlock Group Limited's registered office:

Guilden Sutton Lane
Chester
United Kingdom
CH3 7EX