

ANNUAL REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2019

CHANNELPLAST (UK) LIMITED

MENZIES

CHANNELPLAST (UK) LIMITED

COMPANY INFORMATION

Directors	N. J. B. Howell T. C. Mueller J. B. Ruiz-Tapiador
Registered number	08420899
Registered office	Ashcombe House 5 The Crescent Leatherhead Surrey England KT22 8DY
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY

CHANNELPLAST (UK) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 6
Statement of income and retained earnings	7
Statement of financial position	8
Analysis of net debt	9
Notes to the financial statements	10 - 18

CHANNELPLAST (UK) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The company operates in the polymer distribution market.

Business review

2019 was another significant year for the company continuing to build on the rapid progress of the preceding few years. Maintaining the same low-profile, covert strategy to the UK market our presence undoubtedly increased – it is now generally acknowledged the company is no longer an inconsequential player in the Polymer Distribution landscape. To fall just short against another demanding budget was disappointing but this does not tell the whole tale as the UK went through a year of unprecedented confusion - with unresolved Brexit issues to the fore. Manufacturing inevitably planned most production on a more short-term basis, prices were always under pressure, and sterling repeatedly and unpredictably fluctuated throughout the year.

The fact our volumes (in tons) have grown a 20% versus 2018 should be seen as a noted achievement. Compared with UK GDP growing at a lowly 1.4% year on year then it suggests the company is going in the right direction. As stated, the business environment was extremely testing as we continued to grow our market share through existing applications, competing with well-established suppliers.

In conclusion the company continues to find its own way in the UK Polymer Distribution market, sales are thriving, and we have a sturdy platform on which to continue to expand.

Principal risks and uncertainties

Our business is generally linked with the overall economic situation of the countries, their trade relations as well as the development on the international commodity and feedstock markets. Accordingly opportunities and risks are considered to be balanced in further business operations.

The management of the operational risks of CHEMIEURO Group is decentralized, while overall corporate risks in financing and companies' evaluation are centrally controlled. Imports in foreign currencies are mostly handled via the holding company hedging foreign currency risks. Insurable risks are transferred to insurances in accordance to risk management established and once economically advisable.

Risks on trade account receivables are mainly covered by credit insurance.

Currently there are no risks observed which may danger the continuity of the company, partly nor entirely.

Financial key performance indicators

The key financial highlights are as follows:

	2019	2018
Turnover:	16,090,108	14,512,397
Profit after tax:	191,951	169,839

This report was approved by the board on 28 April 2020 and signed on its behalf.

.....
N. J. B. Howell
Director

CHANNELPLAST (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

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;
- 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 to 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.

Principal activity

The principal activity of the company is to provide distribution of chemical polymers across Europe.

Results and dividends

The profit for the year, after taxation, amounted to £191,951 (2018 -£169,839).

Directors

The directors who served during the year were:

N. J. B. Howell
T. C. Mueller
J. B. Ruiz-Tapiador

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

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

CHANNELPLAST (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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

.....
N. J. B. Howell

Director

Date: 28 April 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANNELPLAST (UK) LIMITED

Opinion

We have audited the financial statements of Channelplast (UK) Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANNELPLAST (UK) LIMITED (CONTINUED)

Opinion on other matters 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHANNELPLAST (UK)
LIMITED (CONTINUED)**

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.

Andrew Hookway FCA (Senior statutory auditor)

for and on behalf of
Menzies LLP

Chartered Accountants
Statutory Auditor

Ashcombe House
5 The Crescent
Leatherhead
Surrey
KT22 8DY

28 April 2020

CHANNELPLAST (UK) LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	3	16,090,108	14,512,397
Cost of sales		(15,297,033)	(13,789,170)
Gross profit		793,075	723,227
Administrative expenses		(821,313)	(511,702)
Other operating income		257,113	-
Operating profit	4	228,875	211,525
Tax on profit	8	(36,924)	(41,686)
Profit after tax		191,951	169,839
Retained earnings at the beginning of the year		42,765	22,926
		42,765	22,926
Profit for the year		191,951	169,839
Dividends declared and paid		-	(150,000)
Retained earnings at the end of the year		234,716	42,765

The notes on pages 10 to 18 form part of these financial statements.

CHANNELPLAST (UK) LIMITED

REGISTERED NUMBER:08420899

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	25,073	647
		<u>25,073</u>	<u>647</u>
Current assets			
Stocks	10	1,632,435	2,076,079
Debtors: amounts falling due within one year	11	3,658,371	3,495,082
Cash at bank and in hand		124,692	412,210
		<u>5,415,498</u>	<u>5,983,371</u>
Creditors: amounts falling due within one year	12	(5,005,855)	(5,741,253)
Net current assets		<u>409,643</u>	<u>242,118</u>
Total assets less current liabilities		<u>434,716</u>	<u>242,765</u>
Net assets		<u><u>434,716</u></u>	<u><u>242,765</u></u>
Capital and reserves			
Called up share capital	14	200,000	200,000
Profit and loss account		234,716	42,765
		<u><u>434,716</u></u>	<u><u>242,765</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 April 2020.

.....
N. J. B. Howell
Director

The notes on pages 10 to 18 form part of these financial statements.

CHANNELPLAST (UK) LIMITED

ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 DECEMBER 2019

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	412,210	(287,518)	124,692
Bank overdrafts	-	185,181	185,181
Debt due within 1 year	(2,064,676)	(446,663)	(2,511,339)
	<u>(1,652,466)</u>	<u>(549,000)</u>	<u>(2,201,466)</u>

The notes on pages 10 to 18 form part of these financial statements.

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Company is a private company limited by shares and incorporated in England and Wales. The address of the registered office is given in the company information page of these financial statements.

The company's principal place of business is Suite C, Castle House, Park Road, Banstead, Surrey, SM7 3BT.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Revenue

Revenue from the sale of Polymers and Support Services 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 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

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 payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.7 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, 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 reporting date in the countries where the Company operates and generates income.

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.8 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.

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:

Office equipment	-	33%	Straight line over 3 years
Computer equipment	-	33%	Straight line over 3 years

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 in the Statement of Income and Retained Earnings.

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. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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 Financial instruments

The Company only enters into basic financial instrument 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 ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

2.11 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.

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Key estimates and judgements

The main judgement area in the accounts was depreciation.

See note 2.8 for commentary on depreciation.

3. Turnover

All turnover arose within the United Kingdom.

	2019 £	2018 £
United Kingdom	16,090,108	14,512,397
	<u>16,090,108</u>	<u>14,512,397</u>

4. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Exchange differences	(2,010)	57,000
Other operating lease rentals	13,234	13,098
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>4,415</u>	<u>6,600</u>

5. Auditors' remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £ (2018 -).

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

6. Employees

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

	2019 £	2018 £
Wages and salaries	229,662	160,612
Social security costs	22,220	18,465
Cost of defined contribution scheme	13,892	10,292
	<u>265,774</u>	<u>189,369</u>

The average monthly number of employees, including directors, during the year was 6 (2018 -5).

7. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	72,000	73,250
Company contributions to defined contribution pension schemes	4,875	4,875
	<u>76,875</u>	<u>78,125</u>

During the year retirement benefits were accruing to 1 director (2018 -1) in respect of defined contribution pension schemes.

8. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	36,924	42,456
Adjustments in respect of previous periods	-	(770)
	<u>36,924</u>	<u>41,686</u>
Total current tax	<u>36,924</u>	<u>41,686</u>

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 -lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>228,875</u>	<u>211,525</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 -19%)	43,486	40,190
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10	-
Capital allowances for year in excess of depreciation	(4,641)	(14)
Adjustments to tax charge in respect of prior periods	-	(770)
Changes in provisions leading to an increase (decrease) in the tax charge	<u>(1,931)</u>	<u>2,280</u>
Total tax charge for the year	<u>36,924</u>	<u>41,686</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

9. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2019	767	1,129	1,896
Additions	490	24,493	24,983
At 31 December 2019	1,257	25,622	26,879
Depreciation			
At 1 January 2019	467	782	1,249
Charge for the year on owned assets	262	295	557
At 31 December 2019	729	1,077	1,806
Net book value			
At 31 December 2019	528	24,545	25,073
<i>At 31 December 2018</i>	<i>300</i>	<i>347</i>	<i>647</i>

10. Stocks

	2019 £	2018 £
Raw materials and consumables	1,632,435	2,046,745
Finished goods and goods for resale	-	29,334
	<u>1,632,435</u>	<u>2,076,079</u>

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

11. Debtors: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	3,247,482	3,358,701
Amounts owed by associated undertakings	257,113	-
Other debtors	10,074	134,059
Prepayments and accrued income	143,702	2,322
	<u>3,658,371</u>	<u>3,495,082</u>

12. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	2,326,158	2,064,676
Trade creditors	630,229	1,209,901
Amounts owed to group undertakings	1,751,401	2,061,664
Corporation tax	15,707	42,456
Other taxation and social security	238,338	329,400
Other creditors	-	878
Accruals and deferred income	44,022	32,278
	<u>5,005,855</u>	<u>5,741,253</u>

At the year end the company had two external bank loans which were each accruing 1.35% interest p.a. Both loans matured after the year end with one maturing on 31 January 2020 and the second on 28 February 2020.

13. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>124,692</u>	<u>412,210</u>

CHANNELPLAST (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

14. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
200,000 (2018 -200,000) Ordinary shares shares of £1.0 each	<u>200,000</u>	<u>200,000</u>

15. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	1,485	10,123
Later than 1 year and not later than 5 years	-	1,485
	<u>1,485</u>	<u>11,608</u>

16. Related party transactions

In accordance with the exemptions by Financial Reporting Standard 102, transactions with the Group Companies have not been disclosed in these financial statements.

During the year the company acquired purchases, at market value, in the sum of £116,821 from the Fournier Plastic Group SL companies. It also sold goodwill to Fournier Polymers Limited for £257,113. This group is owned 50% by Chemieuro SL

17. Parent undertaking

The company's immediate parent undertaking is Chemieuro SL, Juan Pablo II, No. 35, Planta 10a, Torre Aragonia , 50009, Zaragoza, Spain, a registered company in Spain.

18. Ultimate controlling party

The directors are of the opinion that there is no one controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.