

Blagden (Holdings) Limited

Report and Financial Statements

Year Ended

31 December 2016

Company Number 8656712



Blagden (Holdings) Limited

Report and financial statements For the year ended 31 December 2016

Contents

Page:

1	Directors and Advisors
2-3	Directors' report
4-5	Strategic report
6-7	Independent auditor's report
8	Consolidated statement of comprehensive income
9	Consolidated statement of financial position
10-11	Consolidated statement of changes in equity
12	Company statement of financial position
13-14	Company statement of changes in equity
15	Consolidated statement of cash flows
16-25	Notes forming part of the financial statements

Blagden (Holdings) Limited

Directors and Advisors
For the year ended 31 December 2016

Directors	R G Turton (Managing) G W J Turton
Company number	8656712
Registered office	Osprey House Black Eagle Square Westerham Kent TN16 1PA
Distribution Site	14 Spitfire Road Triumph Trading Park Speke Hall Road Liverpool L24 9BF
Accreditations	COMAH – lower tier ISO 9001:2008 REACH approved CBA Responsible Care DGSA approved CareChem 24 scheme FEMAS
Trade Associations	Chemical Business Association Westmere Drive, Crewe Business Park, Crewe, Cheshire, CW1 6ZD British Association for Chemical Specialities The Exchange, Station Approach, Harrogate, HG1 1TS
Auditors	BDO LLP 55 Baker Street, London, W1U 7EU
Bankers	HSBC PLC Global House, High Street, Crawley, West Sussex, RH10 1DL
Insurance Brokers	Arthur J Gallagher 34 Tower View, Kings Hill, West Malling, Kent, ME19 4U
Corporate Lawyers	Cripps Wallside House, 12 Mount Ephraim Road, Tunbridge Wells, TN1 1EG
HR Lawyers	Loch Associates Oxford House 15-17 Mount Ephraim Road, Tunbridge Wells, TN1 1EN

Blagden (Holdings) Limited

Directors' report For the year ended 31 December 2016

The directors' present the report together with the audited financial statements for the year ended 31 December 2016.

Results and dividends

The results for the year are set out on page 8.

A dividend of £1,020,000 was paid during the year (31 December 2015 - £260,000).

A dividend of £1,000,000 was received during the year, £600,000 from Topaz Management Ltd and £400,000 from Blagden Specialty Chemicals Ltd.

Principal activities

The principal activities of the Group are the representation of mainly overseas chemical manufacturers and the sales of their products in the UK and Irish markets.

The strategic report on page 6 provides information regarding the review of business, principal risks and uncertainties and future developments.

Financial instruments

The Group's principal funding instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors, and loans from financial institutions. The main purpose of these instruments is to raise funds for and to finance the Group's operations.

The Group has bank accounts denominated in foreign currencies and manages its foreign exchange risks using hedging arrangements. Liquidity risk is managed by maintaining a balance of continuity of funding and flexibility through the use of overdrafts at floating rates of interest.

Credit risk and cash flow risk relating to trade debtors are managed by utilising services from a financial institution as well as the regular monitoring of credit terms and credit limits.

Liquidity risk associated with trade creditors is managed by ensuring sufficient funds are available to meet liabilities as they fall due.

Directors

The directors of the company during the year were:

R G Turton

G W J Turton

Blagden (Holdings) Limited

Directors' Report For the year ended 31 December 2016 (*Continued*)

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors are to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group and company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

Auditor

The current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors' are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP was appointed as auditors of the company by the directors. BDO LLP has expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

On behalf of the Board



R G Turton

Director

12th September 2017

Blagden (Holdings) Limited

Strategic report For the year ended 31 December 2016

Fair review of the business

The principal activities of the Group are the representation of mainly overseas chemical manufacturers and the sales and technical promotion of their products in the UK and Irish markets.

Blagden therefore acts as a specialist distributor carrying out the functions of global sourcing, sales and marketing, the technical promotion and distribution of specialty, industrial and general chemicals. The bespoke dry packaging and the blending of custom made solutions takes place at our Liverpool distribution site.

Principal risks and uncertainties

Trading performance in 2016 remained strong despite the fall in sterling and the decision to leave the European Union. It is the Group's policy to buy currency forward to mitigate the risk due to exchange rate fluctuations.

As always we face the possibility of a loss of a key supply partner through strategic changes of consolidation and/or acquisition.

Analysis of the development and performance of the business

New business development is a key element of our strategy and positive results are being seen from our efforts to introduce new products and new sources of supply to complement our existing product ranges for our core market sectors and for new markets.

We strive always for continuing improvements to our business processes and now with a new ERP system Sage X3, a new website and a planned new CRM module in 2017/18, benefits will be derived, assisting our sales teams.

Analysis of the position of the business

Sales revenues were up although margins were under pressure given the fall in sterling.

Our business model and finances continue to be resilient. However, in 2017/2018 uncertainty over the performance of the UK economy with the likelihood of unstable trading conditions, volatility and weaker Sterling may bring difficult trading conditions.

Blagden (Holdings) Limited

Strategic report For the year ended 31 December 2016 (Continued)

Key Performance Indicators

	31 Dec 2016	31 Dec 2015
Stock/Cost of Sales %	17.9%	14.7%
Debtors/Sales %	19.1%	17.9%
Creditors/Cost of Sales %	20.1%	12.8%
Net current assets/Sales %	21.4%	22.5%
Stock turnover in calendar days	65.4 days	53.6 days
Trade debtors in calendar days	69.8 days	65.3 days
Trade creditors in calendar days	73.3 days	46.8 days
Gross Margin	21.9%	25.4%
Profit before interest and tax/Sales %	6.0%	7.6%
Profit before interest and tax/Net current assets %	28.0%	24.9%

The pressure for longer credit terms from customers especially the multi-nationals has affected debtors days outstanding. With more of our supply partners requiring Blagden to take in larger delivery loads, this has had an impact on our creditor days and stockholding.

On behalf of the Board



R G Turton

Director

12th September 2017

Blagden (Holdings) Limited

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLAGDEN (HOLDINGS) LIMITED

We have audited the financial statements of Blagden (Holdings) Limited for the year ended 31 December 2016 which comprise the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of changes in equity, the consolidated statement of cash flows 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's 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 statement of directors' responsibilities, 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 (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2016 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 group and the parent 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

Blagden (Holdings) Limited

Independent auditor's report (*Continued*)

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Marc Reinecke (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
Date 12/9/2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Blagden (Holdings) Limited

Consolidated statement of comprehensive income For the year ended 31 December 2016

	Note	31 Dec 2016 £	31 Dec 2015 £
Turnover	3	21,217,853	19,650,904
Cost of sales		(16,577,375)	(14,665,269)
Gross profit		4,640,478	4,985,635
Administrative expenses		(3,367,893)	(3,476,432)
Operating profit	6	1,272,585	1,509,203
Interest receivable and other income		63	209
Interest payable and similar charges	7	(3,254)	(2,366)
Profit on ordinary activities before taxation		1,269,394	1,507,046
Taxation on profit from ordinary activities	8	(299,873)	(359,530)
Total comprehensive income for the financial year attributable to the owners of the company		969,521	1,147,516

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of comprehensive income.

The notes on pages 16 to 25 form part of these financial statements

Blagden (Holdings) Limited

Consolidated statement of financial position As at 31 December 2016

Company number 8656712	Note	31 Dec 2016 £	31 Dec 2016 £	31 Dec 2015 £	31 Dec 2015 £
Fixed assets					
Intangible assets	9		213,371		284,494
Tangible assets	10		708,467		797,149
			<u>921,838</u>		<u>1,081,643</u>
Current assets					
Stock	12	2,971,324		2,155,087	
Debtors	13	4,309,457		4,182,039	
Cash at bank and in hand		2,246,735		1,725,860	
		<u>9,527,516</u>		<u>8,062,986</u>	
Creditors: amounts falling due within one year	14	4,987,988		3,632,782	
		<u>4,539,528</u>		<u>4,430,204</u>	
Net current assets			<u>4,539,528</u>		<u>4,430,204</u>
Total assets less current liabilities			<u>5,461,368</u>		<u>5,511,847</u>
Net assets			<u>5,461,368</u>		<u>5,511,847</u>
Capital and reserves					
Called up share capital	16	2,201,001		2,200,001	
Merger reserve		(2,918,001)		(2,918,001)	
Profit and loss account		6,178,368		6,228,847	
		<u>5,461,368</u>		<u>5,511,847</u>	
Shareholders' funds			<u>5,461,368</u>		<u>5,511,847</u>

The financial statements were approved by the Board of Directors and authorised for issue on 12th September 2017.



R G Turton
Director

The notes on pages 16 to 26 form part of these financial statements.

Blagden (Holdings) Limited

Consolidated Statement of changes in equity For the year ended 31 December 2016

	Share capital £	Merger reserve £	Profit & loss account £	Total equity £
1 January 2016	2,201,001	(2,918,001)	6,228,847	5,511,847
Comprehensive income for the year				
Profit for the year	-	-	969,521	969,521
Total comprehensive income for the year	2,201,001	(2,918,001)	969,521	969,521
Contributions by and distributions to owners				
Dividends	-	-	(1,020,000)	(1,020,000)
Total transactions with owners	2,201,001	(2,918,001)	(1,020,000)	(1,020,000)
31 December 2016	2,201,001	(2,918,001)	6,178,368	5,461,368

Blagden (Holdings) Limited

Consolidated Statement of changes in equity For the year ended 31 December 2015

	Share capital £	Merger Reserve £	Profit & loss account £	Total equity £
1 January 2015	2,200,001	(2,918,001)	5,341,331	4,623,331
Comprehensive income for the year				
Profit for the year	-	-	1,147,516	1,147,516
Total comprehensive income for the year	2,200,001	(2,918,001)	1,147,516	1,147,516
Contributions by and distributions to owners				
Dividends	-	-	(130,000)	(130,000)
Dividends – prior year			(130,000)	(130,000)
Issue of B Shares	1,000			
Total transactions with owners	2,201,001	(2,918,001)	(260,000)	(260,000)
31 December 2015	2,201,001	(2,918,001)	6,228,847	5,511,847

Blagden (Holdings) Limited

Company statement of financial position As at 31 December 2016

Company number 8656712	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Investments	11		4,422,000		4,422,000
Current assets					
Debtors	13	681,000		81,001	
Cash and bank		24,792		44,925	
		<u>705,792</u>		<u>125,926</u>	
Creditors: amounts falling due within one year	14	<u>2,881,014</u>		<u>2,261,014</u>	
Net current liabilities			(2,175,222)		(2,136,088)
Total assets less current liabilities			<u>2,246,778</u>		<u>2,286,912</u>
Net assets			<u>2,246,778</u>		<u>2,286,912</u>
Capital and reserves					
Called up share capital	16		2,201,001		2,200,001
Profit and loss account			45,777		85,911
Shareholders' funds			<u>2,246,778</u>		<u>2,286,912</u>

The financial statements were approved by the Board of Directors and authorised for issue on 12th September 2017.



R G Turton
Director

The notes on pages 16 to 26 form part of these financial statements.

Blagden (Holdings) Limited

Company Statement of changes in equity For the year ended 31 December 2016

	Share capital £	Profit & loss account £	Total equity £
1 January 2016	2,201,001	85,911	2,286,912
Comprehensive income for the year			
Operating loss for the year	-	(20,134)	(20,134)
Dividends Received		1,000,000	1,000,000
Total comprehensive income for the year	2,201,001	1,065,777	1,065,777
Contributions by and distributions to owners			
Dividends – Paid		(1,020,000)	(1,020,000)
Total transactions with owners	2,201,001	(1,020,000)	(1,020,000)
31 December 2016	2,201,001	45,777	2,246,778

Blagden (Holdings) Limited

Company Statement of changes in equity For the year ended 31 December 2015

	Share capital £	Profit & loss account £	Total equity £
1 January 2015	2,200,001	(13,011)	2,186,990
Comprehensive income for the year			
Profit for the year	-	185,256	185,256
Total comprehensive income for the year	2,200,001	185,256	2,372,246
Contributions by and distributions to owners			
Dividends	-	(130,000)	(130,000)
Dividends – prior year		(130,000)	(130,000)
Issue of B Shares	1,000	-	1,000
Total transactions with owners	2,201,001	(260,000)	(261,000)
31 December 2015	2,201,001	85,911	2,286,912

Blagden (Holdings) Limited

Consolidated statement of cash flows For the year ended 31 December 2016

	Note	31 Dec 2016 £	31 Dec 2015 £
Cash flows from operating activities			
Profit for the financial year		1,272,585	1,509,203
Adjustments for:			
Depreciation, impairment and amortisation of fixed assets	9,10	252,023	268,219
Profit on disposal		(8,166)	(1,542)
(Increase)Decrease in stock	12	(816,237)	90,903
(Increase)/Decrease in trade and other debtors	13	(126,596)	24,466
Increase/(Decrease) in trade and other creditors	14	1,409,729	(879,268)
Cash from operations		1,983,338	1,011,981
Interest paid		(3,254)	(2,366)
Taxation paid		(355,219)	(196,465)
Net cash generated from operating activities		1,624,865	813,150
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		8,300	1,557
Purchases of tangible fixed assets	10	(92,353)	(99,190)
Interest received		63	209
Net cash from investing activities		(83,990)	(97,424)
Cash flows from financing activities			
Equity dividend paid		(1,020,000)	(260,000)
Net cash used in financing activities		(1,020,000)	(260,000)
Net increase in cash and cash equivalents		520,875	455,726
Cash and cash equivalents at the beginning of the year		1,725,860	1,270,134
Cash and cash equivalents at the end of the year		2,246,735	1,725,860
Cash and cash equivalents comprise of:			
Cash at bank and in hand		2,246,735	1,725,860
		2,246,735	1,725,860

The notes on pages 16 to 25 form part of these financial statements.

Blagden (Holdings) Limited

Notes forming part of the financial statements For the year ended 31 December 2016

1 Accounting policies

Blagden Holdings Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The company has taken advantage of the following exemptions in preparing the financial statements, as permitted by FRS102 for qualifying entities: -

- Not to prepare a reconciliation of the number of shares outstanding at the beginning and end of the year; and
- Not to prepare a statement of individual company cash flows; and
- Not to disclose key management personnel compensation in total.

The company's shareholders have been notified in writing about this and do not object to the use of the above exemptions.

The following principal accounting policies have been applied:

Basis of consolidation

The financial statements consolidate the accounts of Blagden Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts. Turnover is derived from the company's ordinary activities. Revenue from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed payment. These criteria are considered to be met, when the goods have been delivered to the buyer.

Goodwill

Goodwill is amortised over 5 years. See note 9.

Reserves

- Called up share capital reserve represents the nominal value of the shares issued.
- Share premium account represents amounts subscribed for share capital in excess of the nominal value.
- Merger reserve arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Blagden (Holdings) Limited

Notes forming part of the financial statements For the year ended 31 December 2016 (*Continued*)

1. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Investment Property	-	2% straight line
Motor vehicles	-	straight line over 3 -5 years
Fixtures and fittings	-	12.5% - 33.3% straight line
Plant and machinery	-	15% reducing balance

Leasing and hire purchase

Assets obtained under hire purchase contracts 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 Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period. Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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 country where the company operates and generates taxable income.

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

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

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

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (*Continued*)

1. Accounting policies (continued)

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Foreign currencies

The company's functional and presentational currency is GBP. Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Stock

Stock is valued at the lower of cost and net realisable value.

Pensions

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

2. Significant estimates and judgements

The Company makes judgements as to its ability to collect outstanding debtors and provides allowances for the portion of debtors when collection becomes doubtful. Provisions are made based on a specific review of significant outstanding invoices. For those invoices not specifically reviewed, provisions are recorded.

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (Continued)

3 Turnover

An analysis of turnover by geographical market is as follows:

	31 Dec 2016 £	31 Dec 2015 £
UK	20,267,314	18,770,563
Europe	884,089	818,799
Rest of World	66,450	61,542
	<u>21,217,853</u>	<u>19,650,904</u>

4 Employees

Staff costs, including directors' remuneration, consist of:

	31 Dec 2016 £	31 Dec 2015 £
Wages and salaries	1,848,429	1,800,852
Social security costs	222,022	210,891
Other pension costs	82,401	77,712
	<u>2,152,852</u>	<u>2,089,455</u>

The average number of employees, including directors, during the year was:

	31 Dec 2016 £	31 Dec 2015 £
Warehouse and distribution	6	7
Selling	23	23
Administration	18	18
	<u>47</u>	<u>48</u>

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (Continued)

5 Directors

	31 Dec 2016 £	31 Dec 2015 £
Emoluments	275,799	278,970
Social security costs	35,980	35,980
	<hr/>	<hr/>
Total	311,779	314,950
	<hr/>	<hr/>
Company pension contributions to money purchase pension schemes	-	-
	<hr/>	<hr/>

During the year no retirement benefits were accruing to the director (31 Dec 2015 - £nil) in respect of money purchase pension schemes.

The highest paid director received remuneration of £275,799 (31 Dec 2015 - £278,970).

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £nil (31 Dec 2015 - £nil).

6 Operating profit

	31 Dec 2016 £	31 Dec 2015 £
This has been arrived at after charging/(crediting):		
Amortisation - intangible assets	71,123	71,123
Depreciation of tangible assets - owned by the group	180,900	197,096
Auditor's remuneration	30,000	33,000
Difference on foreign exchange	(50,714)	(27,557)
Profit on disposal of fixed assets	(8,167)	(1,542)
	<hr/>	<hr/>

7 Interest payable and similar charges

	31 Dec 2016 £	31 Dec 2015 £
On bank loans and overdrafts	3,254	2,366
On other loans	-	-
	<hr/>	<hr/>
	3,254	2,366
	<hr/>	<hr/>

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (Continued)

8 Taxation on profit from ordinary activities

	Group 31 Dec 2016 £	Group 31 Dec 2015 £	Company 31 Dec 2016 £	Company 31 Dec 2015 £
<i>Current tax</i>				
UK Corporation tax on profits of the year	304,115	359,530	-	-
Prior year adjustment	(4,242)	-	-	-
	<u>299,873</u>	<u>359,530</u>	<u>-</u>	<u>-</u>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	Group 31 Dec 2016 £	Group 31 Dec 2015 £	Company 31 Dec 2016 £	Company 31 Dec 2015 £
Profit on ordinary activities before tax	<u>1,269,394</u>	<u>1,507,046</u>	<u>(20,134)</u>	<u>293,666</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20% (31 December 2015 – 20.25%)	253,879	304,176	(4,027)	58,733
Effects of:				
Expenses not deductible/(non-taxable income)	20,409	25,900	4,027	(58,748)
Income not taxable for tax purposes	-	-	-	-
Movement in provisions	7,902	10,463	-	-
Depreciation in excess of capital allowance	19,187	11,852	-	-
Capitalised revenue expenditure allowable on an accounts basis	(683)	(892)	-	-
Depreciation on assets ineligible for capital allowances	3,421	3,620	-	-
Prior year adjustment	(4,242)	4,411	-	-
Group relief	-	-	-	15
Current tax charge for year	<u>299,873</u>	<u>359,530</u>	<u>-</u>	<u>-</u>

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (*Continued*)

9 Intangible assets

Group	Goodwill £
<i>Cost</i>	
At 1 January 2016 and 31 December 2016	699,598
<i>Amortisation</i>	
At 1 January 2016	415,104
Charge for the year	71,123
At 31 December 2016	213,371
<i>Net book value</i>	
At 31 December 2015	284,494

10 Tangible assets

Group	Investment Property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
<i>Cost</i>					
At 1 January 2016	431,874	412,589	310,561	1,011,581	2,166,605
Additions	-	10,074	74,135	8,144	92,353
Disposals	-	-	(33,185)	(5,231)	(38,416)
At 31 December 2016	431,874	422,663	351,511	1,014,494	2,220,542
<i>Depreciation</i>					
At 1 January 2016	134,641	215,850	221,498	797,466	1,369,455
Charge for the year	8,637	31,040	57,638	83,585	180,900
Disposals	-	-	(33,185)	(5,095)	(38,280)
At 31 December 2016	143,278	246,890	245,951	875,956	1,512,075
<i>Net book value</i>					
At 31 December 2016	288,596	175,773	105,560	138,538	708,467
At 31 December 2015	297,233	196,739	89,063	214,114	797,149

The investment property is subject to a charge arising on bank loans held by Blagden Specialty Chemicals Limited, a subsidiary company.

Blagden (Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 December 2016 (Continued)

11 Investments

Company	Shares in group undertakings £
Cost or valuation At 31 December 2016	4,422,000

Details of the principal subsidiaries can be found under note number 20.

12 Stock

	Group 31 Dec 2016 £	Group 31 Dec 2015 £
Finished goods and goods for resale	2,971,324	2,155,087

13 Debtors

	Group 31 Dec 2016 £	Group 31 Dec 2015 £	Company 31 Dec 2016 £	Company 31 Dec 2015 £
Trade debtors	4,058,782	3,516,832	-	-
Other debtors	167,734	529,059	-	-
Prepayments	82,941	136,148	-	-
Intercompany debtor	-	-	81,000	81,001
	4,309,457	4,182,039	81,000	80,001

14 Creditors: amounts falling due within one year

	Group 31 Dec 2016 £	Group 31 Dec 2015 £	Company 31 Dec 2016 £	Company 31 Dec 2015 £
Trade creditors	3,327,543	1,880,649	-	-
Corporation tax	170,597	225,118	-	-
Social security and other taxes	644,675	385,535	-	-
Other creditors	633,899	797,157	-	446,666
Accruals	211,274	344,323	-	-
Intercompany Creditor	-	-	2,881,014	1,814,348
	4,987,988	3,632,782	2,881,014	2,261,014

Included within other creditors is amounts advanced during the year by R G Turton totalling £600,000

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (Continued)

15 Financial instruments

	Group 31 Dec 2016 £	Group 31 Dec 2015 £	Company 31 Dec 2016 £	Company 31 Dec 2015 £
Financial asset				
Financial assets that are debt instruments measured at amortised cost	4,226,516	4,045,891	81,000	81,001
Financial liabilities				
Financial liabilities measured at amortised cost	4,172,716	3,022,129	2,881,014	2,261,014

16 Share capital

	Allotted, called up and fully paid	
Company	2016 Number	2016 £
Ordinary shares of £1 each	2,200,001	2,200,001
Issue of B Shares £1 each	1,000	1,000

17 Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £82,401 (31 December 2015 - £77,712). Contributions totalling £24,984 (31 December 2015 - £23,364) were payable to the fund at the balance sheet date and are included in other creditors.

18 Related party transactions

Directors' emoluments have been disclosed in note 5. The company has taken advantage of the exemptions provided by FRS102 paragraph 33.1A and not disclosed the transactions with group undertakings where 100% of the voting rights are controlled within the group.

Blagden (Holdings) Limited

Notes forming part of the financial statements
For the year ended 31 December 2016 (Continued)

19 Commitments under operating leases

As at 31 December 2016, the group had minimum lease payments under non-cancellable operating leases as set out below:

	31 Dec 2016 Land and buildings £	31 Dec 2016 Other £	31 Dec 2015 Land and buildings £	31 Dec 2015 Other £
Within one year	98,280	-	98,280	-
In two to five years	294,840	-	294,840	-
	<u>393,120</u>	<u>-</u>	<u>393,120</u>	<u>-</u>

20 Principal subsidiaries

The financial statements consolidate the accounts of Blagden Holdings Limited and all of its subsidiary undertakings as detailed below.

Name	Country	Percentage of ordinary shares held	Description
Blagden Specialty Chemicals Limited	England and Wales	100	Global sourcing, sales and marketing, distribution, logistics and blending of speciality chemicals
Topaz Management Limited	England and Wales	100	Property holding
Marlow Chemical Company Limited	England and Wales	100	Dormant

21 Parent company profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit after tax of the parent company for the year was £1,065,777 (2015 – Profit £293,666).