

Company Registration No. 00338691 (England and Wales)

**VIL RESINS LIMITED**

**ANNUAL REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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# VIL RESINS LIMITED

## COMPANY INFORMATION

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**Directors**

Mr R W Wallen  
Mr P W Richardson  
Mr A W Wallen  
Mr J W Wallen  
Mr P M Stonehewer  
Mr J Maugham  
Mr A Lomax

**Secretary**

Mr P W Richardson

**Company number**

00338691

**Registered office**

Union Road  
Bolton

**Auditor**

Barlow Andrews LLP  
Carlyle House  
78 Chorley New Road  
Bolton

**Bankers**

HSBC Bank Plc  
1-3 Victoria Square  
Bolton

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# **VIL RESINS LIMITED**

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# VIL RESINS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 30 SEPTEMBER 2019

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The directors present the strategic report for the year ended 30 September 2019.

#### Fair review of the business

The key performance indicators for the company are as follows:

	2019	2018
	£	£
Turnover	18,276,710	16,121,116
Profit before taxation	2,262,514	1,403,357
Gross Profit Margin	28.28%	25.88%

A positive increase in turnover has mainly been established through extra volume with a number of new key accounts.

This has had a positive effect on the company's profits, as raw materials have remained relatively constant during the year.

#### Principal risks and uncertainties

Health & Safety - Within the activities of the company, the directors continually recognise the high level of importance when it comes to Health and Safety compliance. Thus, each process of the businesses will continue to carry out regular risk assessments to ensure a safe working environment and provide internal controls for each process.

The company further supports its environmental responsibilities and supports the key regulations that ensure our surrounding environments are maintained in their natural states.

Competition - The company operates in very competitive markets and is dependent on maintaining customer relationships and developing new products specific to each customer's specific need. The company hopes to achieve these objectives by providing a first-class service and through competitive pricing policies.

Financial Instruments and Currency Risks - The company's principal financial instruments comprise of bank balances, trade creditors and currency exchanges. It is these instruments that allow the company to move forward with its operations.

The company trades with some of its customers and suppliers in foreign currencies, which results in risks of currency fluctuations. The company manages the risk by using the facility of a Euro bank account and ensuring that the net effect of creditors and debtors is closely monitored.

Credit risk from trade debtors is managed by operating strict credit control procedures, including detailed credit reference checks on new customers, regular reviews of credit limits and monitoring payments received.

On behalf of the board



Mr R W Wallen

Director

19 December 2019

# VIL RESINS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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The directors present their annual report and financial statements for the year ended 30 September 2019.

### Principal activities

The principal activity of the company continued to be the manufacture and sale of surface coating resins. The directors are satisfied with the results for the year.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R W Wallen  
Mr P W Richardson  
Mr A W Wallen  
Mr J W Wallen  
Mr P M Stonehewer  
Mr J Maugham  
Mr A Lomax

### Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £1,500,000. The directors do not recommend payment of a final dividend.

### Future developments

With political and Brexit based uncertainty the company will continue to focus on maintaining their positions both within the UK and export markets. The approach of focusing on product development and providing bespoke products specific to individual customer needs, will continue, as the company looks to identify key opportunities in the domestic and overseas markets.

The company will continue in its plans to invest into its infrastructure, as the directors focus on improving output capacity and maximising efficiencies. This is a longer term project, which will continue to form a larger foundation for the company's future.

### Auditor

In accordance with the company's articles, a resolution proposing that Barlow Andrews LLP be reappointed as auditor of the company will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

  
Mr R W Wallen  
Director

19 December 2019

# **VIL RESINS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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The directors are responsible for preparing the annual 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 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 period. 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# VIL RESINS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF VIL RESINS LIMITED

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#### Opinion

We have audited the financial statements of Vil Resins Limited (the 'company') for the year ended 30 September 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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 FRS 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 30 September 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 *Auditor's 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 UK, including the FRC'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 auditor's 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

# **VIL RESINS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF VIL RESINS LIMITED**

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### **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 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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.

### **Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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.

**Philip Riding (Senior Statutory Auditor)**  
for and on behalf of Barlow Andrews LLP

19 December 2019

**Chartered Accountants**  
**Statutory Auditor**

Carlyle House  
78 Chorley New Road  
Bolton



# VIL RESINS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 £	2018 £
Turnover	3	18,276,710	16,121,116
Cost of sales		(13,107,836)	(11,948,560)
<b>Gross profit</b>		<b>5,168,874</b>	<b>4,172,556</b>
Distribution costs		(944,375)	(814,459)
Administrative expenses		(1,909,096)	(1,896,210)
Other operating income		4,750	4,354
<b>Operating profit</b>	4	<b>2,320,153</b>	<b>1,466,241</b>
Interest receivable and similar income	7	10,761	7,074
Interest payable and similar expenses	8	(68,400)	(69,958)
<b>Profit before taxation</b>		<b>2,262,514</b>	<b>1,403,357</b>
Taxation	9	(370,040)	(194,048)
<b>Profit for the financial year</b>		<b>1,892,474</b>	<b>1,209,309</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There is no other comprehensive income for the year. The total comprehensive income is the profit for the financial year shown above.

# VIL RESINS LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	11		2,642,612		2,610,878
<b>Current assets</b>					
Stocks	12	2,388,908		2,260,816	
Debtors	13	5,417,413		4,795,609	
Cash at bank and in hand		2,172,128		2,657,667	
		<u>9,978,449</u>		<u>9,714,092</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(6,896,034)</u>		<u>(7,010,505)</u>	
<b>Net current assets</b>			3,082,415		2,703,587
<b>Total assets less current liabilities</b>			<u>5,725,027</u>		<u>5,314,465</u>
<b>Provisions for liabilities</b>	15		<u>(22,267)</u>		<u>(4,179)</u>
<b>Net assets</b>			<u><u>5,702,760</u></u>		<u><u>5,310,286</u></u>
<b>Capital and reserves</b>					
Called up share capital	18		1,000		1,000
Capital redemption reserve	20		500		500
Other reserves	19		3,499,500		3,499,500
Profit and loss reserves			<u>2,201,760</u>		<u>1,809,286</u>
<b>Total equity</b>			<u><u>5,702,760</u></u>		<u><u>5,310,286</u></u>

The financial statements were approved by the board of directors and authorised for issue on 19 December 2019 and are signed on its behalf by:



Mr R W Wallen  
Director



Mr P W Richardson  
Director

Company Registration No. 00338691

# VIL RESINS LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
<b>Balance at 1 October 2017</b>		1,000	500	3,499,500	2,099,977	5,600,977
<b>Year ended 30 September 2018:</b>						
Profit and total comprehensive income for the year		-	-	-	1,209,309	1,209,309
Dividends	10	-	-	-	(1,500,000)	(1,500,000)
<b>Balance at 30 September 2018</b>		1,000	500	3,499,500	1,809,286	5,310,286
<b>Year ended 30 September 2019:</b>						
Profit and total comprehensive income for the year		-	-	-	1,892,474	1,892,474
Dividends	10	-	-	-	(1,500,000)	(1,500,000)
<b>Balance at 30 September 2019</b>		1,000	500	3,499,500	2,201,760	5,702,760

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 1 Accounting policies

#### Company information

Vil Resins Limited is a private company limited by shares incorporated in England and Wales. The registered office is Union Road, Bolton.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Vil Resins Limited is a wholly owned subsidiary of Vil Holdings Limited and the results of Vil Resins Limited are consolidated in the financial statements of Vil Holdings Limited. These consolidated financial statements are available from Companies House, Crown Way, Cardiff.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	2% Straight line
Plant and machinery	6 2/3% Straight line
Fixtures, fittings & equipment	10% Straight line
Motor vehicles	25% Straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

#### 1.14 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019 £	2018 £
<b>Turnover</b>		
Sale of goods	18,276,710	16,121,116
	<u>          </u>	<u>          </u>
<b>Other significant revenue</b>		
Interest income	10,761	7,074
	<u>          </u>	<u>          </u>

#### Turnover analysed by geographical market

In the opinion of the directors, it would be seriously prejudicial to disclose turnover by geographical location. The directors have therefore taken advantage of the exemption to omit this disclosure.

### 4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(3,279)	(3,010)
Research and development costs	263,468	279,805
Fees payable to the company's auditor for the audit of the company's financial statements	7,250	7,100
Depreciation of owned tangible fixed assets	137,588	128,987
Profit on disposal of tangible fixed assets	(30,784)	(13,380)
Cost of stocks recognised as an expense	11,660,414	10,516,309
	<u>          </u>	<u>          </u>



# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Production staff	15	17
Sales and distribution staff	7	7
Administration and technical staff	10	10
	<u>32</u>	<u>34</u>

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	1,287,844	1,190,448
Social security costs	125,738	119,064
Pension costs	15,764	52,818
	<u>1,429,346</u>	<u>1,362,330</u>

### 6 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	498,475	458,869
Company pension contributions to defined contribution schemes	15,764	52,818
	<u>514,239</u>	<u>511,687</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 6 (2018 - 6).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	160,815	150,087
Company pension contributions to defined contribution schemes	5,143	4,731
	<u>165,958</u>	<u>154,818</u>

The directors are also considered to be the key management personnel.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 7 Interest receivable and similar income

	2019 £	2018 £
<b>Interest income</b>		
Interest on bank deposits	10,392	7,074
Other interest income	369	-
<b>Total income</b>	<b>10,761</b>	<b>7,074</b>

### 8 Interest payable and similar expenses

	2019 £	2018 £
Other interest	68,400	69,958

### 9 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	351,952	206,233
<b>Deferred tax</b>		
Origination and reversal of timing differences	18,088	(12,185)
<b>Total tax charge</b>	<b>370,040</b>	<b>194,048</b>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	2,262,514	1,403,357
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	429,878	266,638
Tax effect of expenses that are not deductible in determining taxable profit	42	(7,150)
Permanent capital allowances in excess of depreciation	5,197	3,672
Research and development tax credit	(65,077)	(69,112)
<b>Taxation charge for the year</b>	<b>370,040</b>	<b>194,048</b>

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 10 Dividends

	2019 £	2018 £
Interim paid	1,500,000	1,500,000

### 11 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 October 2018	2,558,650	3,646,856	336,436	238,091	6,780,033
Additions	-	114,792	-	54,530	169,322
Disposals	-	-	-	(88,055)	(88,055)
At 30 September 2019	2,558,650	3,761,648	336,436	204,566	6,861,300
<b>Depreciation and impairment</b>					
At 1 October 2018	210,669	3,487,980	325,887	144,619	4,169,155
Depreciation charged in the year	34,177	41,042	3,515	58,854	137,588
Eliminated in respect of disposals	-	-	-	(88,055)	(88,055)
At 30 September 2019	244,846	3,529,022	329,402	115,418	4,218,688
<b>Carrying amount</b>					
At 30 September 2019	2,313,804	232,626	7,034	89,148	2,642,612
At 30 September 2018	2,347,981	158,876	10,549	93,472	2,610,878

### 12 Stocks

	2019 £	2018 £
Raw materials and consumables	1,162,844	964,743
Finished goods and goods for resale	1,226,064	1,296,073
	2,388,908	2,260,816

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 13 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	4,531,875	4,510,543
Amounts owed by group undertakings	66,500	-
Other debtors	400	20,967
Prepayments and accrued income	818,638	264,099
	<u>5,417,413</u>	<u>4,795,609</u>

### 14 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	1,997,665	2,336,353
Amounts owed to group undertakings	3,645,800	3,645,800
Corporation tax	231,952	56,233
Other taxation and social security	186,206	223,527
Accruals and deferred income	834,411	748,592
	<u>6,896,034</u>	<u>7,010,505</u>

### 15 Provisions for liabilities

	Notes	2019	2018
		£	£
Deferred tax liabilities	16	<u>22,267</u>	<u>4,179</u>

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

### 16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2019 £	Liabilities 2018 £
<b>Balances:</b>		
Accelerated capital allowances	22,267	4,179
<b>Movements in the year:</b>		2019 £
Liability at 1 October 2018		4,179
Charge to profit or loss		18,088
Liability at 30 September 2019		22,267

### 17 Retirement benefit schemes

	2019 £	2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	15,764	52,818

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

### 18 Share capital

	2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000

The holders of ordinary shares are entitled to full voting rights and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

### 19 Other reserves

Other reserves relates to funds set aside in respect of future projects.

# VIL RESINS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2019

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### 20 Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased by the company.

### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019 £	2018 £
Acquisition of tangible fixed assets	2,000,000	-

### 22 Ultimate controlling party

The company's parent is Vil Holdings Limited.

The company is included in the consolidated accounts of Vil Holdings Limited.