

Company Registration Number 00558460

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Buckinghamshire
HP7 9QS
t. 01494 765428
f. 01494 763911
e. mailto@cansdales.co.uk
www.cansdales.co.uk

VSM ABRASIVES LIMITED
ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017

SATURDAY



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02/06/2018
COMPANIES HOUSE

VSM ABRASIVES LIMITED

ABRIDGED FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2017

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VSM ABRASIVES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2017

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2017.

PRINCIPAL ACTIVITIES

The principal activities of the company continued to be the importation and sale of abrasives for distribution in the United Kingdom.

DIRECTORS

The directors who served the company during the year and to date were as follows:

B Harrison

J M Henkel

The company is a wholly-owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

DIRECTORS' RESPONSIBILITIES

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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. All members have consented to the abridged accounts being prepared for the year ended 31 December 2017.
- All members have consented to the abridged accounts being prepared for the year ended 31 December 2017.

AUDITOR

A resolution to re-appoint Cansdales as auditor for the ensuing year will be proposed at the annual general meeting.

VSM ABRASIVES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2017

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
Unit 5, Joplin Court
Sovereign Business Park
Crownhill
Milton Keynes
MK8 0JP

Signed on behalf of the directors



B Harrison
Managing Director

Approved by the directors on 24/04/18

VSM ABRASIVES LIMITED**STATEMENT OF POSITION**

31ST DECEMBER 2017

	Note	2017 £	2016 £
FIXED ASSETS	3		
Tangible assets		119,867	97,462
CURRENT ASSETS			
Stocks		303,443	331,248
Debtors		881,389	677,139
Cash at bank and in hand		1,332,035	1,686,073
		<u>2,516,867</u>	<u>2,694,460</u>
CREDITORS: Amounts falling due within one year		<u>925,398</u>	<u>742,623</u>
NET CURRENT ASSETS		<u>1,591,469</u>	<u>1,951,837</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,711,336</u>	<u>2,049,299</u>
PROVISIONS FOR LIABILITIES		<u>-2,289</u>	<u>2,292</u>
		<u>1,709,047</u>	<u>2,051,591</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	80,000	80,000
Other reserves		100,000	100,000
Profit and loss account		1,529,047	1,871,591
SHAREHOLDERS' FUNDS		<u>1,709,047</u>	<u>2,051,591</u>

These Abridged financial statements have been prepared in accordance with FRS102 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The profit and loss account has not been filed.

These Abridged financial statements were approved by the directors and authorised for issue on 24/04/12, and are signed on their behalf by:

J M Henkel
Director

Company Registration Number: 00558460

VSM ABRASIVES LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST DECEMBER 2017

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard FRS102 1a, the financial reporting standard applicable in the UK and Ireland.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	over the remaining life of the lease
Plant & Machinery	-	12.5% to 33.3% straight line
Fixtures, fittings & equipment	-	20% to 33.3% straight line
Motor Vehicles	-	25% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, where cost comprises expenditure which has been incurred in the normal course of business in bringing the product to its present location and condition, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Provisions

Provisions are set up only where it is possible that a present obligation exists as a result of an event prior to the Statement of Position date and that a payment will be required in settlement that can be estimated reliably. Where material, provisions are calculated on a discounted basis.

Provisions for bad and doubtful debts

The valuation of trade debtors is based upon the full balances outstanding less a provision for bad debts. The provision is based upon current and historical collection levels and the current level of corporate insolvency within the United Kingdom.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but have not reversed at the Statement of Position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax.

VSM ABRASIVES LIMITED

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST DECEMBER 2017

Deferred taxation (continued)

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Statement of Position date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Statement of Position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

VSM ABRASIVES LIMITED**NOTES TO THE ABRIDGED FINANCIAL STATEMENTS (Continued)****YEAR ENDED 31ST DECEMBER 2017****2. EMPLOYEES**

The average monthly number of employees, including directors, during the year/period was as follows:

2017	2016
10.4	11.1

3. FIXED ASSETS

	Tangible Assets £
COST AT 1 JAN 2017	273,545
ADDITIONS	70,187
DISPOSALS	-30,176
AT 31 DEC 2017	<u>313,556</u>
DEPRECIATION	
AT 1st JAN 2017	176,083
CHARGE FOR THE YEAR	41,495
DISPOSALS	-23,889
AT 31 DEC 2017	<u>193,689</u>
NET BOOK VALUE	
At 31st December 2017	<u>119,867</u>
At 31st December 2016	<u>97,462</u>

4. SHARE CAPITAL

Allotted and called up:

	2017		2016	
	No	£	No	£
Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>

5. ULTIMATE PARENT COMPANY

The ultimate parent company is Vereinigte Schmirgel-und Maschinen-Fabriken AG incorporated in Germany. There is no ultimate controlling party of Vereinigte Schmirgel-und Maschinen-Fabriken AG. Copies of the consolidated financial statements are available on the parent company's website.

6. RELATED PARTY TRANSACTIONS

The company is exempt from disclosing group transactions in accordance with paragraph 33.1A, Financial Reporting Standard 102.

7. AUDIT REPORT

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was James Foscett who signed for and on behalf of Cansdales, Statutory Auditor.