

REGISTERED NUMBER: 02118556 (England and Wales)

Report of the Directors and
Unaudited Financial Statements for the Year Ended 30th September 2018
for
Enterprise Adhesives & Chemicals Ltd

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for the Year Ended 30th September 2018

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Enterprise Adhesives & Chemicals Ltd

Company Information
for the Year Ended 30th September 2018

DIRECTORS:

I Harvey
A P Jarvis

SECRETARY:

Mrs G Harvey

REGISTERED OFFICE:

43 Hornsby Square
Southfields Ind. Estate
Basildon
Essex
SS15 6SD

REGISTERED NUMBER:

02118556 (England and Wales)

ACCOUNTANTS:

K E Jay & Co
52 Fielding Way
Hutton
Brentwood
Essex
CM13 1JN

Report of the Directors
for the Year Ended 30th September 2018

The directors present their report with the financial statements of the company for the year ended 30th September 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and marketing of adhesives and chemicals.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st October 2017 to the date of this report.

I Harvey
A P Jarvis

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

I Harvey - Director

20th June 2019

Income Statement
for the Year Ended 30th September 2018

	Notes	30.9.18 £	£	30.9.17 £	£
TURNOVER			1,739,173		1,597,722
Cost of sales			<u>952,458</u>		<u>856,398</u>
GROSS PROFIT			786,715		741,324
Distribution costs		110,333		114,836	
Administrative expenses		<u>664,522</u>		<u>632,481</u>	
			774,855		747,317
OPERATING PROFIT/(LOSS)	4		11,860		(5,993)
Interest payable and similar expenses	5		<u>39,372</u>		<u>36,034</u>
LOSS BEFORE TAXATION			(27,512)		(42,027)
Tax on loss			<u>4,131</u>		<u>(17,323)</u>
LOSS FOR THE FINANCIAL YEAR			<u>(31,643)</u>		<u>(24,704)</u>

The notes form part of these financial statements

Balance Sheet
30th September 2018

	Notes	30.9.18 £	£	30.9.17 £	£
FIXED ASSETS					
Tangible assets	6		973,962		1,024,436
CURRENT ASSETS					
Stocks	7	226,290		164,216	
Debtors	8	444,395		443,725	
Cash at bank and in hand		500		14,226	
		<u>671,185</u>		<u>622,167</u>	
CREDITORS					
Amounts falling due within one year	9	<u>883,199</u>		<u>812,642</u>	
NET CURRENT LIABILITIES			<u>(212,014)</u>		<u>(190,475)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			761,948		833,961
CREDITORS					
Amounts falling due after more than one year	10		<u>532,106</u>		<u>572,476</u>
NET ASSETS			<u><u>229,842</u></u>		<u><u>261,485</u></u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Revaluation reserve	11		318,359		325,026
Retained earnings			<u>(88,617)</u>		<u>(63,641)</u>
SHAREHOLDERS' FUNDS			<u><u>229,842</u></u>		<u><u>261,485</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30th September 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 30th September 2018 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

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

The financial statements were approved by the Board of Directors on 20th June 2019 and were signed on its behalf by:

I Harvey - Director

Notes to the Financial Statements
for the Year Ended 30th September 2018

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Notes to the Financial Statements - continued
for the Year Ended 30th September 2018

2. **ACCOUNTING POLICIES - continued**

Pension costs and other post-retirement benefits

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

3. **EMPLOYEES AND DIRECTORS**

	30.9.18	30.9.17
	£	£
Wages and salaries	458,012	422,929
Social security costs	17,771	18,366
Other pension costs	26,993	23,264
	<u>502,776</u>	<u>464,559</u>

The average number of employees during the year was as follows:

	30.9.18	30.9.17
Directors	2	2
Production	2	2
Administration	11	10
	<u>15</u>	<u>14</u>

4. **OPERATING PROFIT/(LOSS)**

The operating profit (2017 - operating loss) is stated after charging:

	30.9.18	30.9.17
	£	£
Depreciation - owned assets	<u>32,723</u>	<u>37,661</u>

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	30.9.18	30.9.17
	£	£
Bank interest	-	11
Interest on overdue taxation	-	28
Loan	25,148	24,538
Factoring interest	10,640	8,769
Hire purchase	3,584	2,688
	<u>39,372</u>	<u>36,034</u>

Notes to the Financial Statements - continued
for the Year Ended 30th September 2018

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1st October 2017	908,826	125,372	68,040	168,199	1,270,437
Additions	-	935	-	-	935
At 30th September 2018	<u>908,826</u>	<u>126,307</u>	<u>68,040</u>	<u>168,199</u>	<u>1,271,372</u>
DEPRECIATION					
At 1st October 2017	21,190	99,638	46,851	78,322	246,001
Charge for year	<u>16,976</u>	<u>6,667</u>	<u>5,297</u>	<u>22,469</u>	<u>51,409</u>
At 30th September 2018	<u>38,166</u>	<u>106,305</u>	<u>52,148</u>	<u>100,791</u>	<u>297,410</u>
NET BOOK VALUE					
At 30th September 2018	<u>870,660</u>	<u>20,002</u>	<u>15,892</u>	<u>67,408</u>	<u>973,962</u>
At 30th September 2017	<u>887,636</u>	<u>25,734</u>	<u>21,189</u>	<u>89,877</u>	<u>1,024,436</u>

Included in the cost or valuation of land and buildings is freehold land of £60,000 (2015 - £40000) which is not depreciated.

Cost or valuation at 30th September 2018 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2011	198,000	-	-	-	198,000
Valuation in 2013	32,000	-	-	-	32,000
Valuation in 2016	34,689	-	-	-	34,689
Valuation in 2017	6,076	-	-	-	6,076
Cost	<u>638,061</u>	<u>126,307</u>	<u>68,040</u>	<u>168,199</u>	<u>1,000,607</u>
	<u>908,826</u>	<u>126,307</u>	<u>68,040</u>	<u>168,199</u>	<u>1,271,372</u>

The Freehold Land and Building was valued on Open Market basis on 28th June 2016 by Rona .

Notes to the Financial Statements - continued
for the Year Ended 30th September 2018

6. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST OR VALUATION	
At 1st October 2017	
and 30th September 2018	<u>118,549</u>
DEPRECIATION	
At 1st October 2017	43,805
Charge for year	<u>18,686</u>
At 30th September 2018	<u>62,491</u>
NET BOOK VALUE	
At 30th September 2018	<u>56,058</u>
At 30th September 2017	<u>74,744</u>

7. **STOCKS**

	30.9.18 £	30.9.17 £
Raw materials	153,290	104,716
Finished goods	<u>73,000</u>	<u>59,500</u>
	<u>226,290</u>	<u>164,216</u>

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.9.18 £	30.9.17 £
Trade debtors	429,728	434,627
Other debtors	5,635	-
Prepayments and accrued income	<u>9,032</u>	<u>9,098</u>
	<u>444,395</u>	<u>443,725</u>

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.9.18 £	30.9.17 £
Bank loans and overdrafts	49,815	49,114
Hire purchase contracts	16,407	20,989
Trade creditors	317,630	293,331
Tax	4,131	(8,671)
Social security and other taxes	80,307	48,771
Other creditors	2,937	3,105
Barclays sales factoring	351,891	346,615
Directors' current accounts	50,000	50,000
Accruals and deferred income	<u>10,081</u>	<u>9,388</u>
	<u>883,199</u>	<u>812,642</u>

Notes to the Financial Statements - continued
for the Year Ended 30th September 2018

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.9.18	30.9.17
	£	£
Bank loans - 2-5 years	196,818	196,456
Bank loans more 5 yr by instal	316,302	340,628
Hire purchase contracts	18,986	35,392
	<u>532,106</u>	<u>572,476</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>316,302</u>	<u>340,628</u>

11. **RESERVES**

	Revaluation reserve £
At 1st October 2017	325,026
Revaluation of Property	<u>(6,667)</u>
At 30th September 2018	<u>318,359</u>

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.