

REPORT OF THE DIRECTOR AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015  
FOR  
EXCEL ADHESIVES LTD

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FOR THE YEAR ENDED 31 DECEMBER 2015

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EXCEL ADHESIVES LTD

COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2015

**DIRECTOR:** Mr D Scozzafava

**SECRETARY:** Mr D Scozzafava

**REGISTERED OFFICE:** Unit B6/B7  
Setters Farm  
Mount Pleasant Lane  
Lymington  
Hampshire  
SO41 8LS

**REGISTERED NUMBER:** 05736248

**AUDITORS:** Wilkins Kennedy LLP  
Statutory Auditor  
Athenia House  
10-14 Andover Road  
Winchester  
SO23 7BS

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 DECEMBER 2015**

The director presents his report with the financial statements of the company for the year ended 31 December 2015.

**PRINCIPAL ACTIVITY**

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

**DIRECTOR**

Mr D Scozzafava held office during the whole of the period from 1 January 2015 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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:**

Mr D Scozzafava - Director

28 September 2016

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EXCEL ADHESIVES LTD

We have audited the financial statements of Excel Adhesives Ltd for the year ended 31 December 2015 on pages five to nine. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 director and auditors**

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
EXCEL ADHESIVES LTD

**Matters on which we are required to report by exception**

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Ian Talbot (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy LLP  
Statutory Auditor  
Athenia House  
10-14 Andover Road  
Winchester  
SO23 7BS

30 September 2016

PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
<b>TURNOVER</b>			586,827		460,322
Cost of sales			<u>444,380</u>		<u>389,467</u>
<b>GROSS PROFIT</b>			142,447		70,855
Distribution costs		1,793		-	
Administrative expenses		<u>185,956</u>		<u>171,754</u>	
			<u>187,749</u>		<u>171,754</u>
<b>OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2		(45,302)		(100,899)
Tax on loss on ordinary activities	3		-		-
<b>LOSS FOR THE FINANCIAL YEAR</b>			<u>(45,302)</u>		<u>(100,899)</u>

BALANCE SHEET  
31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		5,347		7,141
<b>CURRENT ASSETS</b>					
Stocks		137,741		146,890	
Debtors	5	174,019		133,400	
Cash at bank		<u>11,209</u>		<u>21,481</u>	
		322,969		301,771	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>780,557</u>		<u>715,851</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(457,588)</u>		<u>(414,080)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(452,241)</u>		<u>(406,939)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	8		1,000		1,000
Profit and loss account	9		<u>(453,241)</u>		<u>(407,939)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(452,241)</u>		<u>(406,939)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the director on 28 September 2016 and were signed by:

Mr D Scozzafava - Director



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

1. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared on a going concern basis as the parent company, ONA International Corporation, incorporated in the United States of America, has agreed to provide such financial support as is required to enable the company to continue to trade.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- straight line over 4 years
Fixtures and equipment	- straight line over 4 years
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.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised to the extent they are regarded as recoverable.

**Foreign currencies**

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

2. **OPERATING LOSS**

The operating loss is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	1,794	2,381
Auditors' remuneration	<u>4,000</u>	<u>3,675</u>
Director's remuneration and other benefits etc	<u>-</u>	<u>-</u>

3. **TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

At 31 December 2015, the company had tax losses available to carry forward and offset against future taxable profits of £468,276 (2014: £423,371).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 20154. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and equipment £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 January 2015 and 31 December 2015	<u>13,604</u>	<u>3,993</u>	<u>29,648</u>	<u>47,245</u>
<b>DEPRECIATION</b>				
At 1 January 2015	13,604	3,887	22,613	40,104
Charge for year	-	35	1,759	1,794
At 31 December 2015	<u>13,604</u>	<u>3,922</u>	<u>24,372</u>	<u>41,898</u>
<b>NET BOOK VALUE</b>				
At 31 December 2015	-	71	5,276	5,347
At 31 December 2014	-	106	7,035	7,141

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

	2015 £	2014 £
Trade debtors	147,730	117,016
Amounts owed from group	25,115	14,388
Prepayments	<u>1,174</u>	<u>1,996</u>
	<u>174,019</u>	<u>133,400</u>

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

	2015 £	2014 £
Trade creditors	161,712	87,039
Social security and other taxes	6,332	5,673
Value added tax	23,736	16,362
Other creditors	7,350	8,730
Amounts owed to group undertakings	574,840	592,555
Accrued expenses	<u>6,587</u>	<u>5,492</u>
	<u>780,557</u>	<u>715,851</u>

7. **PROVISIONS FOR LIABILITIES**

	2015 £	2014 £
Deferred tax		
Accelerated capital allowances	2,644	2,647
Tax losses	<u>(2,644)</u>	<u>(2,647)</u>
	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2015**8. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

**9. RESERVES**

	Profit and loss account £
At 1 January 2015	(407,939)
Deficit for the year	<u>(45,302)</u>
At 31 December 2015	<u>(453,241)</u>

**10. ULTIMATE PARENT COMPANY**

The company is a wholly owned subsidiary undertaking of ONA International Corporation, a company incorporated in the United States of America.

The intermediate parent company and also the smallest company preparing consolidated accounts is ONA Corporation, a company incorporated in United States of America.

The company's ultimate parent undertaking is CFS Group, being a company incorporated in Canada. This is the largest group undertaking preparing group accounts. The accounts are not available to the public.

**11. RELATED PARTY DISCLOSURES**

During the year, the company provided consultancy services of £5,925 (2014: £5,098) to IFS Industries Inc and £4,802 (2014: £5,098) to Multibond Inc, both of which are part of the CFS Group.

In addition, the company purchased goods amounting to £nil (2014: £101,215) from IFS Industries Inc and £1,863 (2014: £19,578) from S.C. Multibond Dural SRL.

IFS Industries Inc owed £11,023 (2014: £5,098) and Dural, Division of Multibond owed £14,092 (2014: £9,290) to the company at the year end.

At the balance sheet date company owed £456,145 (2014: £456,172) to CFS Group, £116,832 (2014: £116,832) to IFS Industries Inc and £1,863 (2014: £19,578) to S.C.Multibond Dural SRL.

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.