

Company registration number 05736248 (England and Wales)

EXCEL ADHESIVES LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

EXCEL ADHESIVES LTD

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EXCEL ADHESIVES LTD

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		1,799		9,063
Current assets					
Stocks		115,592		204,535	
Debtors	5	211,155		251,356	
Cash at bank and in hand		36,725		13,127	
		<u>363,472</u>		<u>469,018</u>	
Creditors: amounts falling due within one year	6	<u>(1,793,937)</u>		<u>(1,686,855)</u>	
Net current liabilities			<u>(1,430,465)</u>		<u>(1,217,837)</u>
Net liabilities			<u>(1,428,666)</u>		<u>(1,208,774)</u>
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss reserves			<u>(1,429,666)</u>		<u>(1,209,774)</u>
Total equity			<u>(1,428,666)</u>		<u>(1,208,774)</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 8 March 2024

Mr D Scozzafava
Director

Company Registration No. 05736248

EXCEL ADHESIVES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Excel Adhesives Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit B6/B7 Setters Farm Mount Pleasant Lane, Sway, Lymington, Hampshire, United Kingdom, SO41 8LS.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the parent company, Ajawak LLC, 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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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.

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:

Plant and machinery	25% straight line
Fixtures, fittings & equipment	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.

EXCEL ADHESIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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 and cash equivalents 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. The company considers all financial instruments to be basic.

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.

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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 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 or fixed assets.

1.10 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 in the period are included in profit or loss.

EXCEL ADHESIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Employees

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

	2022 Number	2021 Number
Total	1	1

3 Auditor's remuneration

Fees payable to the company's auditor and associates:

	2022 £	2021 £
For audit services		
Audit of the financial statements of the company	10,200	7,500

4 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 January 2022 and 31 December 2022	42,483	4,450	46,933
Depreciation and impairment			
At 1 January 2022	33,506	4,364	37,870
Depreciation charged in the year	7,178	86	7,264
At 31 December 2022	40,684	4,450	45,134
Carrying amount			
At 31 December 2022	1,799	-	1,799
At 31 December 2021	8,977	86	9,063

5 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	141,453	131,319
Amounts owed by group undertakings	68,873	118,091
Other debtors	829	1,946
	211,155	251,356

EXCEL ADHESIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	81,363	187,320
Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,639,169	1,441,578
Taxation and social security	48,459	39,046
Other creditors	24,946	18,911
	<u>1,793,937</u>	<u>1,686,855</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Richard Hutchinson and the auditor was Azets Audit Services.

8 Related party transactions

Remuneration of key management personnel

	2022 £	2021 £
Aggregate compensation	<u>197,125</u>	<u>189,625</u>

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2022 £	2021 £	2022 £	2021 £
Entities with control, joint control or significant influence over the company	<u>36,564</u>	<u>12,061</u>	<u>148,624</u>	<u>12,969</u>

The following amounts were outstanding at the reporting end date:

	2022 £	2021 £
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	<u>1,643,469</u>	<u>1,441,578</u>

EXCEL ADHESIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2022	2021
Amounts due from related parties	£	£
Entities with control, joint control or significant influence over the company	68,873	118,090
	<u>68,873</u>	<u>118,090</u>

9 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 and largest company preparing consolidated accounts is ONA Corporation, a company incorporated in the United States of America.

The company's ultimate parent undertaking is Ajawak LLC, being a company incorporated in United States of America. The accounts are not available to the public.

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.