

PLYTECH U.K. LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2018

PLYTECH U.K. LIMITED

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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
FIXED ASSETS			
Intangible assets	5	19,864	25,812
Tangible assets	6	59,574	53,520
		<u>79,438</u>	<u>79,332</u>
CURRENT ASSETS			
Stocks		261,427	223,358
Debtors: amounts falling due within one year	7	218,444	223,429
Cash at bank and in hand		14,863	87,886
		<u>494,734</u>	<u>534,673</u>
Creditors: amounts falling due within one year	8	(245,168)	(267,756)
NET CURRENT ASSETS		<u>249,566</u>	266,917
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>329,004</u>	346,249
Creditors: amounts falling due after more than one year	9	(109,363)	(133,339)
PROVISIONS FOR LIABILITIES			
Deferred tax		(9,693)	(8,997)
		<u>(9,693)</u>	(8,997)
NET ASSETS		<u><u>209,948</u></u>	<u><u>203,913</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account		209,848	203,813
		<u>209,948</u>	<u>203,913</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

PLYTECH U.K. LIMITED
REGISTERED NUMBER:02460071

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

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PLYTECH U.K. LIMITED
REGISTERED NUMBER:02460071

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

M A King
Director

Date: 11 September 2019

The notes on pages 3 to 10 form part of these financial statements.

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PLYTECH U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. GENERAL INFORMATION

The company is a private company, limited by shares and registered in England within the United Kingdom. The company's principal activity is the manufacturing of flat-roof water proofing systems.

The registered number is 02460071 and address of the registered office is 41 Marsh Green Road West, Marsh Barton Trading Estate, Exeter, Devon, EX2 8PN.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;

- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which is 10 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.4 INTEREST INCOME

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

PLYTECH U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES (continued)

2.5 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 BORROWING COSTS

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.7 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

PLYTECH U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****2. ACCOUNTING POLICIES (continued)****2.9 INTANGIBLE ASSETS**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Development expenditure	-	10	years straight line
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2.10 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance methods.

Depreciation is provided on the following basis:

Short-term leasehold property	-	15%	reducing balance basis
Plant and machinery	-	10%	straight line and 25% reducing balance basis
Office equipment	-	25%	to 33% reducing balance basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.11 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

PLYTECH U.K. LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. ACCOUNTING POLICIES (continued)

2.13 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.16 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

2.17 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 7 (2017: 5)

PLYTECH U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. TAXATION

	2018 £	2017 £
CORPORATION TAX		
Current tax on profits for the year	31,372	33,514
Adjustments in respect of previous periods	-	1,275
TOTAL CURRENT TAX	<u>31,372</u>	<u>34,789</u>
DEFERRED TAX		
Origination and reversal of timing differences	696	(254)
TOTAL DEFERRED TAX	<u>696</u>	<u>(254)</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>32,068</u>	<u>34,535</u>

5. INTANGIBLE ASSETS

	Development costs £
COST	
At 1 January 2018	62,449
Additions	525
At 31 December 2018	<u>62,974</u>
AMORTISATION	
At 1 January 2018	36,637
Charge for the year	6,473
At 31 December 2018	<u>43,110</u>
NET BOOK VALUE	
At 31 December 2018	<u>19,864</u>
At 31 December 2017	<u>25,812</u>

PLYTECH U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

6. TANGIBLE FIXED ASSETS

	Short-term leasehold property	Plant and machinery	Office equipment	Total
	£	£	£	£
COST OR VALUATION				
At 1 January 2018	14,518	92,857	42,796	150,171
Additions	4,139	10,327	3,305	17,771
At 31 December 2018	<u>18,657</u>	<u>103,184</u>	<u>46,101</u>	<u>167,942</u>
DEPRECIATION				
At 1 January 2018	10,028	57,261	29,361	96,650
Charge for the year on owned assets	1,061	8,308	2,349	11,718
At 31 December 2018	<u>11,089</u>	<u>65,569</u>	<u>31,710</u>	<u>108,368</u>
NET BOOK VALUE				
At 31 December 2018	<u>7,568</u>	<u>37,615</u>	<u>14,391</u>	<u>59,574</u>
At 31 December 2017	<u>4,490</u>	<u>35,596</u>	<u>13,434</u>	<u>53,520</u>

7. DEBTORS

	2018 £	2017 £
Trade debtors	148,994	156,610
Other debtors	58,032	53,975
Prepayments and accrued income	11,418	12,844
	<u>218,444</u>	<u>223,429</u>

PLYTECH U.K. LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank overdrafts	-	16,847
Bank loans	23,235	23,235
Trade creditors	49,592	53,047
Corporation tax	44,535	45,844
Other taxation and social security	1,184	2,549
Proceeds of factored debts	112,155	107,151
Other creditors	11,171	13,486
Accruals and deferred income	3,296	5,597
	<u>245,168</u>	<u>267,756</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Bank loans	109,363	133,339
	<u>109,363</u>	<u>133,339</u>

10. LOANS

Analysis of the maturity of loans is given below:

	2018	2017
	£	£
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	23,235	23,235
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	73,582	88,425
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS		
Bank loans	35,779	44,914
	<u>132,596</u>	<u>156,574</u>

Bank loans are secured against the assets of the company.

PLYTECH U.K. LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018****11. SHARE CAPITAL**

	2018 £	2017 £
AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID		
90 (2017: 90) Ordinary shares of £1 each	90	90
5 (2017: 5) Ordinary A shares of £1 each	5	5
5 (2017: 5) Ordinary B shares of £1 each	5	5
	<u>100</u>	<u>100</u>

12. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £805 (2017: £324). Contributions totalling £Nil (2017: £Nil) were payable to the fund at the reporting date and are included in creditors.

13. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	41,000	31,452
Later than 1 year and not later than 5 years	82,000	-
	<u>123,000</u>	<u>31,452</u>

14. TRANSACTIONS WITH DIRECTORS

Included within debtors due within one year is a balance owed to the company by the directors, Mr & Mrs E Norris of £56,722 (2017: £53,485). Interest is payable on this balance at 2.5% thereafter and there is no fixed date for repayment.

15. RELATED PARTY TRANSACTIONS

Included within creditors due within one year is a balance owed by the company to the directors of £11,171 (2017: £13,486). No interest is charged on this balance and there is no fixed date for repayment.

During the year dividends totalling £125,717 were paid to the directors.

