

COMPANIES HOUSE COPY

Partex Marking Systems (UK) Limited

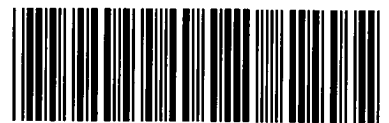
Report and Financial Statements

Year Ended

31 December 2016

Company Number 00850894

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COMPANIES HOUSE

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Partex Marking Systems (UK) Limited

**Report and financial statements
for the year ended 31 December 2016**

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Directors

P C Symonds
N P Thompson
K E M Persson
E O Haglund

Registered office

61-64 Station Road, Coleshill, Birmingham, B46 1JT

Company number

00850894

Auditors

BDO LLP, Two Snowhill, Birmingham, B4 6GA

Partex Marking Systems (UK) Limited

Statement of financial position at 31 December 2016


Company number 00850894	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	5		403,673		354,082
Current assets					
Stocks	6	1,233,740		1,532,437	
Debtors	7	1,243,406		1,024,404	
Cash at bank and in hand	8	660,829		532,466	
		<u>3,137,975</u>		<u>3,089,307</u>	
Creditors: amounts falling due within one year	9	<u>(849,301)</u>		<u>(759,874)</u>	
Net current assets			<u>2,288,674</u>		<u>2,329,433</u>
Total assets less current liabilities			<u>2,692,347</u>		<u>2,683,515</u>
Provisions for liabilities	11		<u>(36,491)</u>		<u>(26,501)</u>
Net assets			<u>2,655,856</u>		<u>2,657,014</u>
Capital and reserves					
Called up share capital	12		25,000		25,000
Profit and loss account			<u>2,630,856</u>		<u>2,632,014</u>
Shareholders' funds			<u>2,655,856</u>		<u>2,657,014</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The company's annual accounts and reports have been delivered to the registrar in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

A copy of the company's profit and loss account has not been delivered to the registrar of companies.

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

 22nd MAY 2017

P C Symonds
Director

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

Partex Marking Systems (UK) Limited

Statement of changes in equity for the year ended 31 December 2016

Year ended 31 December 2016

	Share capital £	Profit and loss account £	Total equity £
1 January 2016	25,000	2,632,014	2,657,014
Comprehensive income for the year			
Profit for the year	-	398,842	398,842
Contributions by and distribution to owners			
Dividends: Equity capital (note 4)	-	(400,000)	(400,000)
31 December 2016	25,000	2,630,856	2,655,856

Year ended 31 December 2015

	Share capital £	Profit and loss account £	Total equity £
1 January 2015	25,000	2,643,594	2,668,594
Comprehensive income for the year			
Profit for the year	-	388,420	388,420
Contributions by and distribution to owners			
Dividends: Equity capital (note 4)	-	(400,000)	(400,000)
31 December 2015	25,000	2,632,014	2,657,014

The purpose of each reserve within equity is as follows:

Share Capital	The nominal value of allotted and fully paid up ordinary share capital
Profit and loss account	Cumulative net gains and losses recognised in the statement of comprehensive income

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

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2016

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland; under the historical cost convention and in accordance with 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 (see note 2).

The following principal accounting policies have been consistently applied:

1.2 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 and value added tax. Revenue is recognised from the sale of goods when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods. This occurs when the buyer, or their agent, takes possession of the goods.

1.3 Tangible fixed assets

Tangible fixed assets 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 method. The depreciation policies range as follows:

Long-term leasehold property	- Over the term of the lease
Plant and machinery	- 15% straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 10% - 25% straight line

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 within 'administrative expenses' in the Statement of Comprehensive Income.

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine where there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs to sell and value in use. For the purposes in assessing impairment, assets grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2016 *(continued)*

1 Accounting policies *(continued)*

1.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.5 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 first in, first out basis.

At each reporting date, inventories are assessed for impairment. If inventory 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.

1.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.7 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.

1.8 Financial instruments

Basic financial instruments

Financial assets comprise cash at bank and in hand, trade debtors and amounts owed by group undertakings; these are initially recorded at cost on the date they originate and are subsequently recorded at amortised cost. The company considers evidence of impairment of all trade and other debtors and amounts owed by company undertakings, and any subsequent impairment is recognised in profit or loss.

Impairment of financial assets carried at amortised cost

Impairment provisions are recognised when there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment.

Impairment provisions represent the difference between the net carrying amount of a financial asset and the present value of the expected future cash receipts from that asset.

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

1 Accounting policies (*continued*)

1.8 Financial instruments (*continued*)

Financial liabilities

Financial liabilities comprise trade creditors, amounts due to group undertakings and accruals; these are initially recorded at cost on the date they originate and are subsequently carried at amortised cost.

1.9 Creditors

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

1.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

1.11 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.12 Pensions

Defined contribution pension plan

Contributions to defined contribution pension schemes are recognised as an expense in profit or loss 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.

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2016 (*continued*)

1 Accounting policies (*continued*)

1.13 Current and deferred taxation

Tax is recognised in the Statement of Comprehensive Income, except that a change 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 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 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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The significant judgements, estimates and assumptions are:

- Tangible fixed assets (see note 5)

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

- Stock impairment

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

- Trade debtors recoverability

At each reporting date, trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2016 (continued)

3 Directors' remuneration

	2016 £	2015 £
Directors' remuneration consist of:		
Aggregate emoluments, pension contributions and amounts receivable under long term incentive schemes	206,688	225,574
Company contributions to money purchase schemes	27,448	24,356

There were 2 directors in the company's defined contribution pension scheme during the year (2015 - 2).

The total amount payable to the highest paid director was £128,595 (2015 - £158,727). Company pension contributions of £18,057 (2015 - £18,057) were made to the company's defined contribution pension scheme on his behalf.

4 Dividends

	2016 £	2015 £
Interim paid of £16 (2015 - £16) per share	400,000	400,000

5 Tangible fixed assets

	Improvements to leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<i>Cost</i>					
At 1 January 2016	430,501	259,103	131,665	132,831	954,100
Additions	2,676	115,453	19,390	-	137,519
Disposals	-	-	(14,608)	-	(14,608)
At 31 December 2016	433,177	374,556	136,447	132,831	1,077,011
<i>Depreciation</i>					
At 1 January 2016	287,944	165,243	44,560	102,271	600,018
Charge for the period	23,041	34,676	24,489	5,722	87,928
Disposals	-	-	(14,608)	-	(14,608)
At 31 December 2016	310,985	199,917	54,441	107,993	673,338
<i>Net book value</i>					
At 31 December 2016	122,192	174,637	82,006	24,838	403,673
At 31 December 2015	142,557	93,860	87,105	30,560	354,082

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2016 (continued)

5 Tangible fixed assets (continued)

The net book value of improvements to leasehold property may be further analysed as follows:

	2016 £	2015 £
Long leasehold	122,192	142,557

6 Stocks

	2016 £	2015 £
Finished goods and goods for resale	1,233,740	1,532,437

There is no material difference between the replacement cost of stocks and the amounts stated above.

The cost of inventories expensed in the period and included in cost of sales was £3,902,831 (2015 - £3,423,351). Stock provisions included in cost of sales amounted to £11,625 (2015 - £Nil).

7 Debtors

	2016 £	2015 £
Trade debtors	1,113,547	920,823
Amounts owed by group undertakings	85,044	24,219
Prepayments and accrued income	44,815	79,362
	1,243,406	1,024,404

The impairment loss recognised in respect bad and doubtful debts included in administrative expenses was £6,147 (2015 - £3,934).

8 Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	660,829	532,466

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements
for the year ended 31 December 2016 (*continued*)

9 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	545,039	510,829
Amounts owed to group undertakings	128,198	29,291
Corporation tax	44,817	43,232
Taxation and social security	91,035	118,043
Accruals and deferred income	40,212	58,479
	<u>849,301</u>	<u>759,874</u>

10 Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,859,420</u>	<u>1,477,508</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(713,449)</u>	<u>(759,874)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and amounts due from group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, amounts payable to group undertakings and accruals.

11 Provisions for liabilities

Provisions for liabilities		Deferred tax £
At 1 January 2016		26,501
Charge to profit or loss		9,990
		<hr/>
At 31 December 2016		36,491
		<hr/>
Deferred taxation		
	2016 £	2015 £
Accelerated capital allowances	36,491	26,501

Partex Marking Systems (UK) Limited

Notes forming part of the financial statements for the year ended 31 December 2016 (continued)

12 Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
25,000 ordinary shares of £1 each	25,000	25,000

13 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 £81,309 (2015 - £74,442).

Contributions totalling £185 (2015 - £Nil) were payable to the fund at the reporting date.

14 Commitments under operating leases

At 31 December 2016 the company had total commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Less than 1 year	103,297	103,297
Later than 1 year and not later than 5 years	394,334	400,411
Later than 5 years	144,645	241,338
	642,276	745,046

15 Controlling party

The company is a subsidiary of Partex Marking Systems AB which is incorporated in Sweden. The company's ultimate parent company is Nordfas Invest AB which is also incorporated in Sweden.

16 Related party transactions

The company is a wholly owned subsidiary of Partex Marking Systems AB and has taken advantage of the exemption not to disclose transactions with its parent company or other wholly owned subsidiaries within the group.

Key management personnel includes all directors of the company. The total compensation paid to key management personnel for services to the company is disclosed in note 3 of the financial statements.

17 Audit report

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's members on 1 June 2017.

The auditor's report was signed by Teresa Darby as senior statutory auditor and was unqualified.