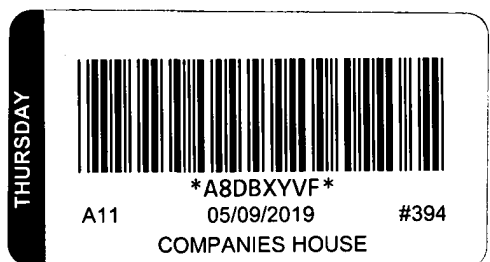


Registered number: 02362849

Polyplas Extrusions Limited

Directors' Report and Financial Statements

For the Year Ended 31 December 2018



Polyplas Extrusions Limited

Company Information

Directors	R Butcher G Horrobin S Jones R Lumb
Company secretary	R Lumb
Registered number	02362849
Registered office	Airfield Industrial Estate Blenheim Road Ashbourne Derbyshire DE6 1HA
Independent auditors	PricewaterhouseCoopers LLP Cornwall Court 19 Cornwall St Birmingham B3 2DT

Polyplas Extrusions Limited

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Polyplas Extrusions Limited

Directors' Report For the Year Ended 31 December 2018

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of manufacturing plastic extrusions, specialising in thermoplastic profile extrusions of a bespoke or custom designed nature.

Results and dividends

The profit for the financial year, after taxation, amounted to £1,213,599 (2017 - £889,167).

During the year dividends of £889,036 (2017 - £Nil) have been declared. The directors do not propose payment of a final dividend (2017 - £Nil).

Directors

The directors who served during the year were:

R Butcher
G Horrobin
S Jones
R Lumb

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law). Under company law the directors must not approve the financial statements unless they are 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are 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.

**Directors' Report (continued)
For the Year Ended 31 December 2018**

Future developments

There are no significant future developments planned for the Company.

Future outlook

The directors expect a lean business model to be resilient enough to produce healthy returns even in a continued challenging economic environment and also given market uncertainty surrounding Brexit.

Financial risk management policy

The key financial risk facing the business is credit risk, which is continually monitored by the board. Credit risk is managed by the continual monitoring of credit terms extended to customers so that the company's exposure to bad debts is minimised.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

25.2.19

and signed on its behalf.



**R Lumb
Director**

Independent Auditors' Report to the Members of Polyplas Extrusions Limited

Opinion

In our opinion, Polyplas Extrusions Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; the Profit and Loss account, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, which is currently due to occur on 29 March 2019, are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.


Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Matthew Walker (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Birmingham

Date: 26 February 2019

Polyplas Extrusions Limited

Profit and Loss Account For the Year Ended 31 December 2018

	Note	2018 £	2017 £
Turnover	4	4,327,932	3,366,049
Cost of sales		(1,827,333)	(1,444,906)
Gross profit		2,500,599	1,921,143
Distribution costs		(262,059)	(251,085)
Administrative expenses		(824,207)	(675,127)
Other operating income	5	32,803	28,804
Operating profit	6	1,447,136	1,023,735
Other interest receivable and similar income	9	40,380	32,927
Interest payable and similar expenses	10	(538)	-
Profit before taxation		1,486,978	1,056,662
Tax on profit	11	(273,379)	(167,495)
Profit for the financial year		1,213,599	889,167

The notes on pages 10 to 23 form part of these financial statements.

Polyplas Extrusions Limited

**Statement of Comprehensive Income
For the Year Ended 31 December 2018**

	2018	2017
	£	£
Profit for the financial year	1,213,599	889,167
Total comprehensive income for the year	1,213,599	889,167

The notes on pages 10 to 23 form part of these financial statements.

Polyplas Extrusions Limited
Registered number:02362849

Balance Sheet
As at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Intangible assets	13	1,139	6,431
Tangible assets	14	937,771	623,378
		<u>938,910</u>	<u>629,809</u>
Current assets			
Stocks	15	435,187	254,762
Debtors: amounts falling due within one year	16	3,281,565	3,671,026
Cash at bank and in hand	17	621,645	254,273
		<u>4,338,397</u>	<u>4,180,061</u>
Creditors: amounts falling due within one year	18	(660,759)	(553,697)
Net current assets		<u>3,677,638</u>	<u>3,626,364</u>
Total assets less current liabilities		<u>4,616,548</u>	<u>4,256,173</u>
Provisions for liabilities			
Deferred tax	20	(104,150)	(68,338)
		<u>(104,150)</u>	<u>(68,338)</u>
Net assets		<u>4,512,398</u>	<u>4,187,835</u>
Capital and reserves			
Called up share capital	21	7,400	7,400
Capital redemption reserve	22	2,600	2,600
Profit and loss account	22	4,502,398	4,177,835
Total equity		<u>4,512,398</u>	<u>4,187,835</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
25.02.19



R Lumb
Director

The notes on pages 10 to 23 form part of these financial statements.

Polyplas Extrusions Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2018**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2017	7,400	2,600	3,288,668	3,298,668
Profit for the year	-	-	889,167	889,167
At 1 January 2018	7,400	2,600	4,177,835	4,187,835
Profit for the year	-	-	1,213,599	1,213,599
Dividends: Equity capital	-	-	(889,036)	(889,036)
At 31 December 2018	7,400	2,600	4,502,398	4,512,398

The notes on pages 10 to 23 form part of these financial statements.

1. General information

Polyplas Extrusions Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page.

The principal activity of the company is that of manufacturing plastic extrusions, specialising in thermoplastic profile extrusions of a bespoke or custom designed nature.

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 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 (see note 3).

The following principal accounting policies have been applied consistently, other than where new policies have been adopted:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Surteco Group SE as at 31 December 2018 and these financial statements may be obtained from Johan-Viktor-Bausch-Str 2, D-86647, Buttenweisen-Pfaffenhofen, Germany.

2.3 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. Accounting policies (continued)

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and loss account over its useful economic life.

2.5 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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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.

Depreciation is provided on the following basis:

Plant and machinery, fittings and equipment	- 13 - 20 years straight line
Motor vehicles	- 9 years 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 in the Profit and loss account.

2.6 Research and development

Research and development expenditure is written off in the year in which it is incurred.

2.7 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. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet 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. Accounting policies (continued)

2.8 Debtors

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

2.9 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.

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 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, and loans to group undertakings.

2.12 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 functional currency using the spot exchange rates 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.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

2.14 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 Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.15 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.16 Other operating income

Other operating income represents Research and Development Expenditure Credits receivable which are recognised in income on an accruals basis, when they can be accurately measured.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 balance sheet 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 Balance sheet 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 balance sheet date.

2.18 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Management is required to exercise judgement in estimating the slow moving stock provision, which takes into account the ageing of stock, its likelihood of being sold or being used in future, and its estimated resale value.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

Actual results could differ from those estimated. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	3,674,202	2,932,878
Rest of Europe	546,855	433,171
Rest of the world	106,875	-
	<u>4,327,932</u>	<u>3,366,049</u>

5. Other operating income

	2018 £	2017 £
Research and Development Expenditure Credit	32,803	28,804
	<u>32,803</u>	<u>28,804</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

6. Operating profit

The operating profit is stated after charging/(crediting):

	2018 £	2017 £
Research & development charged as an expense	273,355	261,856
Depreciation of tangible fixed assets	107,002	138,537
Amortisation of intangible assets, including goodwill	5,292	5,565
Exchange differences	420	(109)
Defined contribution pension cost	20,172	17,663
Stock provision charge/(credit)	23	(253)
Cost of inventories recognised as an expense	1,101,331	927,858
	<u> </u>	<u> </u>

7. Auditors' remuneration

	2018 £	2017 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	7,197	7,000
	<u> </u>	<u> </u>

8. Employees

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	850,795	747,959
Social security costs	77,790	78,923
Other pension costs	20,172	17,663
	<u> </u>	<u> </u>
	948,757	844,545
	<u> </u>	<u> </u>

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Production	17	19
Selling and distribution	4	5
Administration	2	2
Management	4	4
	<u> </u>	<u> </u>
	27	30
	<u> </u>	<u> </u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

9. Other interest receivable and similar income

	2018 £	2017 £
Interest receivable from group companies	39,571	32,927
Other interest receivable	809	-
	<u>40,380</u>	<u>32,927</u>

10. Interest payable and similar expenses

	2018 £	2017 £
Other loan interest payable	538	-
	<u>538</u>	<u>-</u>

11. Tax on profit

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	250,743	146,259
Adjustments in respect of previous periods	(13,176)	-
Total current tax	<u>237,567</u>	<u>146,259</u>
Deferred tax		
Origination and reversal of timing differences	35,812	21,236
Total deferred tax	<u>35,812</u>	<u>21,236</u>
Tax on profit	<u>273,379</u>	<u>167,495</u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

11. Tax on profit (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%). The differences are explained below:

	2018 £	2017 £
Profit before taxation	<u>1,486,978</u>	<u>1,056,662</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	282,526	203,331
Effects of:		
Expenses not deductible for tax purposes	632	203
Adjustments to tax charge in respect of prior periods	(13,176)	-
Other differences leading to an increase in the tax charge	12,382	5,666
Group relief claimed	(8,985)	(41,705)
Total tax charge for the year	<u>273,379</u>	<u>167,495</u>

12. Dividends

	2018 £	2017 £
Dividends paid	<u>889,036</u>	<u>-</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

13. Intangible assets

	Goodwill £
Cost	
At 1 January 2018	27,827
At 31 December 2018	<u>27,827</u>
Accumulated Amortisation	
At 1 January 2018	21,396
Charge for the year	5,292
At 31 December 2018	<u>26,688</u>
Net book value	
At 31 December 2018	<u>1,139</u>
At 31 December 2017	<u>6,431</u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

14. Tangible assets

	Plant and machinery, fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 January 2018	1,942,187	87,133	2,029,320
Additions	421,395	-	421,395
At 31 December 2018	<u>2,363,582</u>	<u>87,133</u>	<u>2,450,715</u>
Accumulated Depreciation			
At 1 January 2018	1,318,809	87,133	1,405,942
Charge for the year on owned assets	107,002	-	107,002
At 31 December 2018	<u>1,425,811</u>	<u>87,133</u>	<u>1,512,944</u>
Net book value			
At 31 December 2018	<u>937,771</u>	<u>-</u>	<u>937,771</u>
At 31 December 2017	<u>623,378</u>	<u>-</u>	<u>623,378</u>

15. Stocks

	2018 £	2017 £
Raw materials and consumables	322,336	230,901
Finished goods and goods for resale	112,851	23,861
	<u>435,187</u>	<u>254,762</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2018**

16. Debtors: amounts falling due within one year

	2018	2017
	£	£
Trade debtors	623,930	662,481
Amounts owed by group undertakings	2,605,110	2,854,429
Prepayments and accrued income	52,525	154,116
	<u>3,281,565</u>	<u>3,671,026</u>

17. Cash at bank and in hand

	2018	2017
	£	£
Cash at bank and in hand	<u>621,645</u>	<u>254,273</u>

18. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	422,983	349,349
Corporation tax	117,939	7,455
Other taxation and social security	46,527	57,758
Other creditors	2,686	2,451
Accruals and deferred income	70,624	136,684
	<u>660,759</u>	<u>553,697</u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

19. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at amortised cost	<u>3,229,040</u>	<u>3,516,910</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(496,293)</u>	<u>(488,484)</u>

Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

20. Deferred tax

	2018 £	2017 £
At beginning of year	68,338	47,102
Charged to profit or loss	35,812	21,236
At end of year	<u>104,150</u>	<u>68,338</u>

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	104,369	68,571
Short term timing differences	(219)	(233)
	<u>104,150</u>	<u>68,338</u>

21. Called up share capital

Shares classified as equity

	2018 £	2017 £
Allotted, called up and fully paid		
7,400 (2017 - 7,400) Ordinary shares of £1.00 each	<u>7,400</u>	<u>7,400</u>

Notes to the Financial Statements
For the Year Ended 31 December 2018

22. Reserves

Capital redemption reserve

The capital redemption reserve is a non-distributable reserve arising upon the redemption or purchase of a company's own shares.

Profit and loss account

The profit and loss account represents cumulative profit or losses, net of dividends paid and other adjustments.

23. 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 £20,172 (2017 - £17,663). Contributions totaling £2,684 (2017 - £2,353) were payable to the fund at the balance sheet date and are included in creditors.

24. Commitments under operating leases

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

	2018 £	2017 £
Land and buildings		
Not later than 1 year	125,700	15,750
Later than 1 year and not later than 5 years	615,400	-
Later than 5 years	778,125	-
	<u>1,519,225</u>	<u>15,750</u>
	2018 £	2017 £
Others		
Not later than 1 year	14,969	14,621
Later than 1 year and not later than 5 years	5,737	18,462
	<u>20,706</u>	<u>33,083</u>

25. Related party transactions

During the year the company charged Nenplas Limited, its immediate parent company, £63,620 (2017 - £122,835) for the supply of goods. At the balance sheet date £Nil (2017 - £Nil) was owed from Nenplas Limited. Also during the year the company made purchases of goods of £188,329 (2017 - £204,280) from Nenplas Limited.

During the year the company charged Delta Plastics Limited, a fellow subsidiary company, £Nil (2017 - £68,939) for the supply of goods.

At the balance sheet date, £2,604,964 (2017 - £2,854,429) was due from Surteco Group SE, the ultimate parent undertaking.

During the year the company charged Döllken Sp. z.o.o., a subsidiary of Surteco Group SE, £146 for the supply of goods. At the balance sheet date £146 (2017 - £Nil) was owed from Döllken Sp. z.o.o..

The key management personnel of the Company consist of the the directors. Directors' remuneration for the year is £Nil (2017 - £Nil).

26. Controlling party

The immediate parent company undertaking is Nenplas Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Surteco Group SE, a company registered in Germany.

The smallest and largest group in which the company's results are consolidated is that headed by Surteco Group SE, a company registered in Germany. The registered address of Surteco Group SE, from which copies of the consolidated financial statements can be obtained, is: Johan-Viktor-Bausch-Str 2, D-86647, Buttenweisen-Pfaffenhofen, Germany.