

**ELGEM TECHNOLOGY
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013**

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

FRIDAY



A39 *A3G93FSX* #329
12/09/2014
COMPANIES HOUSE

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

	Page
Company Information	1
Report of the Directors	2 to 3
Report of the Independent Auditors	4 to 5
Profit and Loss Account	6
Balance Sheet	7 to 8
Cash Flow Statement	9
Notes to the Financial Statements	10 to 14

**ELGEM TECHNOLOGY
COMPANY LIMITED BY GUARANTEE**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2013**

DIRECTORS:

Dr Stuart Cook
Dr Salmiah Ahmad
Dr Kamarudin Ab-Malek

SECRETARY:

Dr Elias Ben Awang

REGISTERED OFFICE:

Brickendon Lane
Brickendonbury
Hertford
Hertfordshire
SG13 8NL

REGISTERED NUMBER:

00931259 (England and Wales)

AUDITORS:

Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

The directors present their report with the financial statements of the company for the year ended 31st December 2013.

PRINCIPAL ACTIVITY

The company's principal activity during the year was to undertake commercial activities that are in line with the role, function and policies of the Malaysian Rubber Board and the Tun Abdul Razak Research Centre and the commercial exploitation of new products developed by the Tun Abdul Razak Research Centre. In addition the company awards specific research grants to facilitate new product development.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2013 to the date of this report.

Dr Stuart Cook
Dr Salmiah Ahmad
Dr Kamarudin Ab-Malek

Other changes in directors holding office are as follows:

Dr Wan Abdul Rahaman Wan Yaacob - resigned 12th August 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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 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;
- 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 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

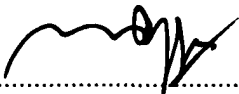
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant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

AUDITORS

The auditors, Wags LLP t/a Wagstaffs, are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Dr Kamarudin Ab-Malek - Director

Date: 5TH SEP 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ELGEM TECHNOLOGY

We have audited the financial statements of Elgem Technology for the year ended 31st December 2013 which comprise the profit and loss account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

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 31st December 2013 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 Directors 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
ELGEM TECHNOLOGY**

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were 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 Directors.



Mark Hubbocks (Senior Statutory Auditor)
for and on behalf of Wags LLP t/a Wagstaffs
Chartered Accountants and Statutory Auditors
Richmond House
Walkern Road
Stevenage
Hertfordshire
SG1 3QP

Date: ^{8th} ~~SEPTEMBER 2014~~ 2014

ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2013

	Notes	2013 £	2012 £
TURNOVER	2	158,844	449,690
Cost of sales		<u>(83,896)</u>	<u>(219,687)</u>
GROSS PROFIT		74,948	230,003
Distribution costs		<u>(1,565)</u>	<u>(3,330)</u>
Administrative expenses		<u>(173,859)</u>	<u>(238,114)</u>
OPERATING LOSS	3	(100,476)	(11,441)
Interest receivable and similar income		<u>1,363</u>	<u>712</u>
		<u>(99,113)</u>	<u>(10,729)</u>
Interest payable and similar charges		<u>(604)</u>	<u>(721)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(99,717)	(11,450)
Tax on loss on ordinary activities	4	<u>(9,005)</u>	<u>2,289</u>
LOSS FOR THE FINANCIAL YEAR		<u>(108,722)</u>	<u>(9,161)</u>

The notes form part of these financial statements

ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
31ST DECEMBER 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	5	51,454	86,967
Investments	6	1,312	1,312
		<u>52,766</u>	<u>88,279</u>
CURRENT ASSETS			
Stocks		312,038	393,614
Debtors	7	19,141	187,999
Cash at bank and in hand		892,049	788,444
		<u>1,223,228</u>	<u>1,370,057</u>
CREDITORS			
Amounts falling due within one year	8	(426,223)	(477,888)
NET CURRENT ASSETS		<u>797,005</u>	<u>892,169</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>849,771</u>	<u>980,448</u>
CREDITORS			
Amounts falling due after more than one year	9	-	(21,955)
NET ASSETS		<u>849,771</u>	<u>958,493</u>
RESERVES			
Capital reserve	11	18,256	18,256
Profit and loss account	11	831,515	940,237
		<u>849,771</u>	<u>958,493</u>


The notes form part of these financial statements

ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE

BALANCE SHEET - continued
31ST DECEMBER 2013

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 5th September 2014 and were signed on its behalf by:


.....
Dr Stuart Cook - Director

The notes form part of these financial statements

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2013**

	2013 £	2012 £
Cash generated from operations		
Operating loss	(100,476)	(11,441)
Reconciliation to cash generated from operations:		
Depreciation	35,513	35,712
Decrease/(increase) in stocks	81,576	(152,339)
Decrease in debtors	132,217	37,257
Decrease in creditors	(51,666)	(289,633)
	<u>97,164</u>	<u>(380,444)</u>
Cash from other sources		
Interest received	<u>1,363</u>	<u>712</u>
Application of cash		
Interest paid	(604)	(721)
Taxation paid	27,636	-
Loan repayments in year	<u>(21,954)</u>	<u>(21,954)</u>
	<u>5,078</u>	<u>(22,675)</u>
Net increase/(decrease) in cash	103,605	(402,407)
Cash at bank and in hand at beginning of year	<u>788,444</u>	<u>1,190,851</u>
Cash at bank and in hand at end of year	<u>892,049</u>	<u>788,444</u>

The notes form part of these financial statements

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

1. ACCOUNTING POLICIES

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 April 2008).

Turnover

Turnover represents the total invoice value, excluding value added tax, trade discounts and all other taxes of sales made during the year.

Tangible fixed assets

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

Land and buildings	- 1 - 10 years straight line and Specialist workshop 50 years
Plant and machinery etc	- 20% on cost

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.

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.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

Group accounts

The company is entitled to the exemption under Section 398 of the Companies Act 2006 from the obligation to prepare group accounts.

2. TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to 100% for the year.

ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2013

3. OPERATING LOSS

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

	2013	2012
	£	£
Depreciation - owned assets	35,513	35,712
Auditors remuneration	3,600	2,250
Foreign exchange differences	<u>(17,407)</u>	<u>28,112</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

4. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss on ordinary activities for the year was as follows:

	2013	2012
	£	£
Deferred tax	<u>9,005</u>	<u>(2,289)</u>
Tax on loss on ordinary activities	<u>9,005</u>	<u>(2,289)</u>

5. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1st January 2013 and 31st December 2013	<u>18,723</u>	<u>193,637</u>	<u>212,360</u>
DEPRECIATION			
At 1st January 2013	5,300	120,093	125,393
Charge for year	<u>189</u>	<u>35,324</u>	<u>35,513</u>
At 31st December 2013	<u>5,489</u>	<u>155,417</u>	<u>160,906</u>
NET BOOK VALUE			
At 31st December 2013	<u>13,234</u>	<u>38,220</u>	<u>51,454</u>
At 31st December 2012	<u>13,423</u>	<u>73,544</u>	<u>86,967</u>

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2013**

5. TANGIBLE FIXED ASSETS - continued

The freehold house is stated at market value on 20th January 1970, being the date of acquisition. All subsequent improvements are stated at cost.

The freehold property cost comprises £9,250 attributable to land and £9,473 attributable to the building and subsequent improvements.

6. FIXED ASSET INVESTMENTS

	Interest in other participating interests £
COST	
At 1st January 2013	
and 31st December 2013	<u>1,312</u>
NET BOOK VALUE	
At 31st December 2013	<u>1,312</u>
At 31st December 2012	<u>1,312</u>

The company owns the entire issued share capital of EK Polymers SDN BHD, a company incorporated in Malaysia. The company activity is the development and sale of polymers and associated products.

The net liabilities of EK Polymers SDN BHD at 31st December 2013 were £1,694 (2012 : £1,694) and the loss for the period was £nil (2012 : £1,064).

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade debtors	-	122,485
Corporation tax	-	27,636
VAT	19,141	28,873
Deferred tax asset	-	9,005
	<u>19,141</u>	<u>187,999</u>

**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2013**

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred tax asset

	2013	2012
	£	£
Accelerated capital allowances	-	(10,289)
Tax losses carried forward	-	19,294
	<u>-</u>	<u>9,005</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade creditors	-	1,599
Amounts owed to group undertakings	123,723	173,789
Accruals and deferred income	302,500	302,500
	<u>426,223</u>	<u>477,888</u>

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

	2013	2012
	£	£
Amounts owed to group undertakings	-	21,955
	<u>-</u>	<u>21,955</u>

10. DEFERRED TAX

	£
Balance at 1st January 2013	(9,005)
Losses carried forward	19,294
Accelerated capital allowances	(10,289)
Balance at 31st December 2013	<u>-</u>

ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2013

11. RESERVES

	Profit and loss account £	Capital reserve £	Totals £
At 1st January 2013	940,237	18,256	958,493
Deficit for the year	(108,722)		(108,722)
At 31st December 2013	<u>831,515</u>	<u>18,256</u>	<u>849,771</u>

12. RELATED PARTY DISCLOSURES

During the year the company purchased scientific research and consultancy services amounting to £149,052 (2012 : £168,464) from the Tun Abdul Razak Research Centre, a company controlled by the Malaysian Rubber Board.

Included within creditors is £123,723 due to the Tun Abdul Razak Research Centre (2012 : £195,744). Of this, £nil (2012 : £21,955) is due to be repaid after more than one year.

These transactions are considered to be at arm's length.

13. ULTIMATE CONTROLLING PARTY

The company is ultimately controlled by the Malaysian Rubber Board which is a Statutory Authority of the Government of Malaysia.

14. COMPANY LIMITED BY GUARANTEE

The company has no share capital and is limited by guarantee and the liability of each member is limited to £1.

The word "Limited" has been omitted from the company name from licence from the Department of Trade and Industry.