

**ELGEM TECHNOLOGY  
COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2014**

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

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

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FOR THE YEAR ENDED 31ST DECEMBER 2014**

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**ELGEM TECHNOLOGY  
COMPANY LIMITED BY GUARANTEE**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

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**DIRECTORS:**

Dr Stuart Cook  
Dr Kamarudin Ab-Malek  
Dr Mohd Akbar Bin Md Said

**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 2014**

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The directors present their report with the financial statements of the company for the year ended 31st December 2014.

**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 2014 to the date of this report.

Dr Stuart Cook  
Dr Kamarudin Ab-Malek

Other changes in directors holding office are as follows:

Dr Mohd Akbar Bin Md Said was appointed as a director after 31st December 2014 but prior to the date of this report.

Dr Salmiah Ahmad ceased to be a director after 31st December 2014 but prior to the date of this report.

**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 2014**

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**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

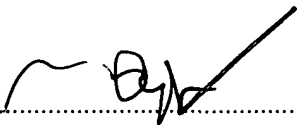
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant 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: 23 Sep 2015

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ELGEM TECHNOLOGY

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We have audited the financial statements of Elgem Technology for the year ended 31st December 2014 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](http://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 2014 and of its profit 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.

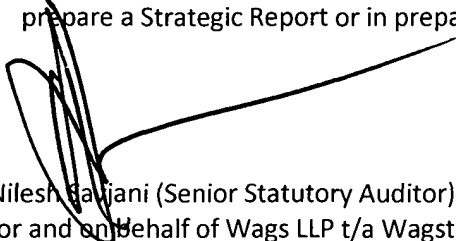
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ELGEM TECHNOLOGY**

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**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.



Nilesheh Rajani (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: 24/07/2015

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

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Notes	2014 £	2013 £
<b>TURNOVER</b>	2	<b>161,213</b>	158,844
Cost of sales		<u>207,498</u>	<u>(83,896)</u>
<b>GROSS PROFIT</b>		<b>368,711</b>	74,948
Distribution costs		(1,992)	(1,565)
Administrative expenses		<u>(270,314)</u>	<u>(173,859)</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	<b>96,405</b>	(100,476)
Interest receivable and similar income		<u>776</u>	<u>1,363</u>
		<b>97,181</b>	(99,113)
Interest payable and similar charges		<u>(224)</u>	<u>(604)</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>96,957</b>	(99,717)
Tax on profit/(loss) on ordinary activities	4	<u>(155)</u>	<u>(9,005)</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u><b>96,802</b></u>	<u><b>(108,722)</b></u>

The notes form part of these financial statements

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

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

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	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	<b>96,802</b>	<b>(108,722)</b>
Unrealised surplus on revaluation of properties	<b>1,236,766</b>	-
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>1,333,568</b>	<b>(108,722)</b>
	<hr/>	<hr/>

The notes form part of these financial statements

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

**BALANCE SHEET**  
**31ST DECEMBER 2014**

		2014	2013
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	5	1,253,799	51,454
Investments	6	1,312	1,312
		<u>1,255,111</u>	<u>52,766</u>
 <b>CURRENT ASSETS</b>			
Stocks		223,907	312,038
Debtors	7	22,054	19,141
Cash at bank and in hand		779,271	892,049
		<u>1,025,232</u>	<u>1,223,228</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(97,004)	(426,223)
 <b>NET CURRENT ASSETS</b>		<u>928,228</u>	<u>797,005</u>
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>2,183,339</u></u>	<u><u>849,771</u></u>
 <b>RESERVES</b>			
Revaluation reserve	10	1,236,766	-
Capital reserve	10	18,256	18,256
Profit and loss account	10	928,317	831,515
		<u><u>2,183,339</u></u>	<u><u>849,771</u></u>

The notes form part of these financial statements

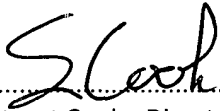
**ELGEM TECHNOLOGY (REGISTERED NUMBER: 00931259)  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET - continued  
31ST DECEMBER 2014**

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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 23rd September 2015 and were signed on its behalf by:



Dr Stuart Cook - Director

The notes form part of these financial statements

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

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

	2014 £	2013 £
<b>Cash generated from operations</b>		
Operating profit/(loss)	96,405	(100,476)
Reconciliation to cash generated from operations:		
Depreciation	34,420	35,513
Decrease in stocks	88,132	81,576
(Increase)/decrease in debtors	(2,913)	132,217
Decrease in creditors	(329,374)	(51,666)
	<u>(113,330)</u>	<u>97,164</u>
<b>Cash from other sources</b>		
Interest received	<u>776</u>	<u>1,363</u>
<b>Application of cash</b>		
Interest paid	(224)	(604)
Taxation paid	-	27,636
Loan repayments in year	-	(21,954)
	<u>(224)</u>	<u>5,078</u>
<b>Net (decrease)/increase in cash</b>	<b>(112,778)</b>	103,605
Cash at bank and in hand at beginning of year	<u>892,049</u>	<u>788,444</u>
<b>Cash at bank and in hand at end of year</b>	<u><b>779,271</b></u>	<u><b>892,049</b></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 2014**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets 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.

Plant and machinery - 25% on cost, 20% on cost and 10% on cost

Prior to the year ended 31st December 2014 the company depreciated freehold properties over 50 years straight line. In addition these properties were recognised at historical cost value as the company did not have a policy of revaluation. It was considered by the directors that the fair value of the freehold properties was substantially different to the historical cost value and therefore the company has changed the accounting policy in this respect. The property is maintained to a high standard and the directors consider that the life of the property is so long and that the residual value is so great that future depreciation is considered immaterial.

Where any permanent diminution of property value is incurred, a provision is made to the profit and loss account. The directors' estimate of residual value is based on prices prevailing at the time of acquisition or subsequent revaluation.

Land and buildings are revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

**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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

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**1. ACCOUNTING POLICIES - continued**

**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.

**3. OPERATING PROFIT/(LOSS)**

The operating profit (2013 - operating loss) is stated after charging/(crediting):

	<b>2014</b>	2013
	<b>£</b>	£
Depreciation - owned assets	<b>34,421</b>	35,513
Auditors remuneration	<b>3,850</b>	3,600
Foreign exchange differences	<b>55,705</b>	(17,407)
	<u><u>          </u></u>	<u><u>          </u></u>
Directors' remuneration and other benefits etc	<u><u>          </u></u>	<u><u>          </u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

**4. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>155</b>	-
Deferred tax	-	9,005
Tax on profit/(loss) on ordinary activities	<u><b>155</b></u>	<u>9,005</u>

**5. TANGIBLE FIXED ASSETS**

	<b>Land and buildings £</b>	<b>Plant and machinery etc £</b>	<b>Totals £</b>
<b>Cost or valuation</b>			
At 1st January 2014	<b>18,723</b>	<b>193,637</b>	<b>212,360</b>
Revaluations	<u><b>1,231,277</b></u>	<u>-</u>	<u><b>1,231,277</b></u>
At 31st December 2014	<u><b>1,250,000</b></u>	<u><b>193,637</b></u>	<u><b>1,443,637</b></u>
<b>Depreciation</b>			
At 1st January 2014	<b>5,489</b>	<b>155,417</b>	<b>160,906</b>
Charge for year	-	<b>34,421</b>	<b>34,421</b>
Revaluation adjustments	<u><b>(5,489)</b></u>	<u>-</u>	<u><b>(5,489)</b></u>
At 31st December 2014	<u>-</u>	<u><b>189,838</b></u>	<u><b>189,838</b></u>
<b>Net book value</b>			
At 31st December 2014	<u><b>1,250,000</b></u>	<u><b>3,799</b></u>	<u><b>1,253,799</b></u>
At 31st December 2013	<u><b>13,234</b></u>	<u><b>38,220</b></u>	<u><b>51,454</b></u>

Included within land and buildings above is property with a valuation of £1,250,000. The land and buildings were valued on 10th December 2014 by Derrick Wade Waters, Chartered Surveyors. The valuations are considered to be open market value. Tangible fixed assets included at a valuation would have been included on a historical cost basis at £18,723 with total aggregate depreciation £5,676 and a net book value of £13,047.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

**6. FIXED ASSET INVESTMENTS**

	Interest in other participating interests £
<b>Cost</b>	
At 1st January 2014 and 31st December 2014	<u>1,312</u>
<b>Net book value</b>	
At 31st December 2014	<u>1,312</u>
At 31st December 2013	<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 2014 were £1,694 (2013 : £1,694) and the loss for the period was £nil (2013 : £nil).

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
VAT	<u>22,054</u>	<u>19,141</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Amounts owed to group undertakings	94,349	123,723
Tax	155	-
Accruals and deferred income	<u>2,500</u>	<u>302,500</u>
	<u>97,004</u>	<u>426,223</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2014**

**9. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>2014</b>	2013
	<b>£</b>	<b>£</b>
Expiring:		
Between one and five years	<b><u>9,562</u></b>	<b><u>-</u></b>

**10. RESERVES**

	<b>Profit and loss account £</b>	<b>Revaluation reserve £</b>	<b>Capital reserve £</b>	<b>Totals £</b>
At 1st January 2014	<b>831,515</b>	-	<b>18,256</b>	<b>849,771</b>
Profit for the year	<b>96,802</b>			<b>96,802</b>
Revaluation	-	<b>1,236,766</b>	-	<b>1,236,766</b>
	<b><u>928,317</u></b>	<b><u>1,236,766</u></b>	<b><u>18,256</u></b>	<b><u>2,183,339</u></b>
At 31st December 2014	<b><u>928,317</u></b>	<b><u>1,236,766</u></b>	<b><u>18,256</u></b>	<b><u>2,183,339</u></b>

**11. RELATED PARTY DISCLOSURES**

During the year the company purchased scientific research and consultancy services amounting to £171,522 (2013 : £149,052) from the Tun Abdul Razak Research Centre, a company controlled by the Malaysian Rubber Board.

Included within creditors is £94,349 due to the Tun Abdul Razak Research Centre (2013 : £123,723).

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

**12. ULTIMATE CONTROLLING PARTY**

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2014**

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**13. 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.