

Report of the Directors and  
Unaudited Financial Statements for the Year Ended 31 December 2016  
for  
Wessex Resins & Adhesives Limited

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for the Year Ended 31 December 2016

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Wessex Resins & Adhesives Limited

Company Information  
for the Year Ended 31 December 2016

**DIRECTORS:**

I K Oliver  
Dr J M Lane  
J M Sheppard FCA

**SECRETARY:**

J M Sheppard FCA

**REGISTERED OFFICE:**

Cupernham House  
Cupernham Lane  
Romsey  
Hampshire  
SO51 7LF

**REGISTERED NUMBER:**

01607313 (England and Wales)

**ACCOUNTANTS:**

Sheppard & Co Limited  
Chartered Accountants  
West Barn, c/o Down Farm  
Hindon  
Salisbury  
Wiltshire  
SP3 5TA

Report of the Directors  
for the Year Ended 31 December 2016

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

I K Oliver  
Dr J M Lane  
J M Sheppard FCA

Other changes in directors holding office are as follows:

S R Oliver - resigned 31 March 2016

**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;

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.

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

**ON BEHALF OF THE BOARD:**

J M Sheppard FCA - Director

28 September 2017

Balance Sheet  
31 December 2016

	Notes	31.12.16 £	31.12.15 £
<b>FIXED ASSETS</b>			
Tangible assets	4	2,375,147	2,157,965
Investments	5	-	2,500
Investment property	6	106,383	235,376
		<u>2,481,530</u>	<u>2,395,841</u>
<b>CURRENT ASSETS</b>			
Stocks		792,655	914,444
Debtors	7	1,064,561	1,228,911
Cash at bank and in hand		1,990,644	1,281,552
		<u>3,847,860</u>	<u>3,424,907</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	(831,363)	(462,649)
<b>NET CURRENT ASSETS</b>		<u>3,016,497</u>	<u>2,962,258</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,498,027</u>	<u>5,358,099</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	9	(1,446,722)	(1,306,666)
<b>NET ASSETS</b>		<u>4,051,305</u>	<u>4,051,433</u>

The notes form part of these financial statements

Balance Sheet - continued

31 December 2016

	Notes	31.12.16 £	31.12.15 £
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	5,000	5,000
Revaluation reserve	13	348,615	351,920
Retained earnings	13	3,697,690	3,694,513
<b>SHAREHOLDERS' FUNDS</b>		<u>4,051,305</u>	<u>4,051,433</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 28 September 2017 and were signed on its behalf by:

I K Oliver - Director

Dr J M Lane - Director

Notes to the Financial Statements  
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Wessex Resins & Adhesives Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents the net invoiced sales of goods, excluding value added tax and is recognised upon the despatch of goods from the factory.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Plant and machinery	- 33% on cost and 15% on reducing balance

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Investment property**

Investment property is shown at cost or the most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 29 .



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>			
At 1 January 2016	2,028,786	626,669	2,655,455
Additions	127,915	182,633	310,548
At 31 December 2016	<u>2,156,701</u>	<u>809,302</u>	<u>2,966,003</u>
<b>DEPRECIATION</b>			
At 1 January 2016	21,704	475,786	497,490
Charge for year	34,073	59,293	93,366
At 31 December 2016	<u>55,777</u>	<u>535,079</u>	<u>590,856</u>
<b>NET BOOK VALUE</b>			
At 31 December 2016	<u>2,100,924</u>	<u>274,223</u>	<u>2,375,147</u>
At 31 December 2015	<u>2,007,082</u>	<u>150,883</u>	<u>2,157,965</u>

Included in cost or valuation of land and buildings is freehold land of £ 450,000 (2015 - £ 450,000 ) which is not depreciated.

Cost or valuation at 31 December 2016 is represented by:

	Freehold property £	Plant and machinery £	Totals £
Valuation in 2015	351,920	-	351,920
Cost	<u>1,804,781</u>	<u>809,302</u>	<u>2,614,083</u>
	<u>2,156,701</u>	<u>809,302</u>	<u>2,966,003</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

4. **TANGIBLE FIXED ASSETS - continued**

If Freehold Property had not been revalued it would have been included at the following historical cost:

	31.12.16	31.12.15
	£	£
Cost	<u>1,804,781</u>	<u>1,676,866</u>
Value of land in freehold land and buildings	<u>450,000</u>	<u>450,000</u>

Freehold Land and Buildings were valued on open market value basis on 27 October 2015 by Humphreys and Dancer, Chartered Surveyors

The updated valuation detailed above, carried out on 27 October 2015 confirmed the valuation at that date at £1,950,000 and was undertaken at the time the company acquired the remaining 34% of the property. In addition, the stamp duty and legal costs payable of £26,790 was added to the cost of acquisition.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST OR VALUATION</b>	
Additions	<u>54,000</u>
At 31 December 2016	<u>54,000</u>
<b>DEPRECIATION</b>	
Charge for year	<u>8,100</u>
At 31 December 2016	<u>8,100</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>45,900</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

5. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2016	2,500
Disposals	(2,500)
At 31 December 2016	-
<b>NET BOOK VALUE</b>	
At 31 December 2016	-
At 31 December 2015	<u>2,500</u>

The company owned 51% of the issued share capital of Martel-Wessex Holdings Limited registered number 03248890 which went into administration and was subsequently dissolved on 28/02/2017. Shares amounting to 15,650 in number and costing the sum of £2,500 have been written off in the year.

6. **INVESTMENT PROPERTY**

Investment properties held in Bulgaria have in accordance with FRS 102 been valued at their fair value and reflected in the accounts at the transition date. The valuation has been produced by the Directors and is based upon local values achieved for similar properties and is reflective of the substantial fall in property values suffered in that location.

Cost or valuation at 31 December 2016 is represented by:

	£
Valuation in 2015	(176,362)
Cost	<u>282,745</u>
	<u>106,383</u>

If Investment properties had not been revalued they would have been included at the following historical cost:

	31.12.16 £	31.12.15 £
Cost	<u>282,745</u>	<u>282,745</u>

The Investment properties were valued on an open market basis on 31 December 2016 by the Directors .

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

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

	31.12.16	31.12.15
	£	£
Trade debtors	529,304	486,458
Amounts owed by group undertakings	135,864	56,316
Other Debtors	65,991	53,929
Directors' current accounts	-	272,545
Deferred tax asset	292,596	326,393
Prepayments and accrued income	40,806	33,270
	<u>1,064,561</u>	<u>1,228,911</u>

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

	31.12.16	31.12.15
	£	£
Bank loans and overdrafts (see note 10)	100,761	93,333
Hire purchase contracts	12,825	-
Trade Creditors	158,158	154,950
Tax	(53,714)	(46,994)
Social security and other taxes	266,120	224,546
Other creditors	156,075	5,290
Directors' current accounts	133,832	-
Accrued expenses	57,306	31,524
	<u>831,363</u>	<u>462,649</u>

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

	31.12.16	31.12.15
	£	£
Bank loans (see note 10)	1,414,659	1,306,666
Hire purchase contracts	32,063	-
	<u>1,446,722</u>	<u>1,306,666</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans due in more than 5 years repayable by instalments	991,845	933,333
	<u>991,845</u>	<u>933,333</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

10. **LOANS**

An analysis of the maturity of loans is given below:

	31.12.16 £	31.12.15 £
Amounts falling due within one year or on demand:		
Bank loans	<u>100,761</u>	<u>93,333</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>102,853</u>	<u>93,333</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>319,961</u>	<u>280,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans due in more than 5 years repayable by instalments	<u>991,845</u>	<u>933,333</u>
	<u>991,845</u>	<u>933,333</u>

11. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.16 £	31.12.15 £
Bank loans	<u>1,515,420</u>	<u>-</u>

The nature of the security is a debenture with a fixed and floating charge over the assets of the company including the freehold property.

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value: £1	31.12.16 £	31.12.15 £
Number:	Class:			
5,000	Ordinary		<u>5,000</u>	<u>5,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2016

13. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2016	3,694,513	351,920	4,046,433
Profit for the year	627,372		627,372
Dividends	(627,500)		(627,500)
Transfer between reserves	3,305	(3,305)	-
At 31 December 2016	<u>3,697,690</u>	<u>348,615</u>	<u>4,046,305</u>

14. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

15. **ULTIMATE CONTROLLING PARTY**

The controlling party is West System International Ltd.

The ultimate controlling party is Wessex Resins & Adhesives Holdings Limited.

No Consolidated accounts of Wessex Resins & Adhesives Holdings Limited are prepared as in the opinion of the Directors the Parent and Group headed by it qualifies as small within the meaning of the act.

Wessex Resins & Adhesives Holdings Limited is registered at Down Farm, Hindon, Salisbury Wiltshire SP3 5TA United Kingdom.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.