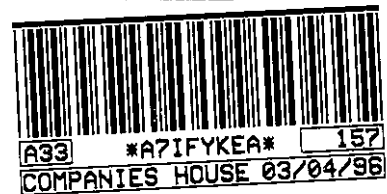


CHEMIQUE ADHESIVES AND SEALANTS LIMITED  
COMPANY NUMBER: 1945954

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ABBREVIATED ACCOUNTS FOR THE  
YEAR ENDED 31ST DECEMBER 1995

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Bank Passage, off Market Square, Stafford, ST16 2JS  
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DX 701368 Stafford 3



CHEMIQUE ADHESIVES AND SEALANTS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st December 1995

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CHEMIQUE ADHESIVES AND SEALANTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS

Auditors' report to  
Chemique Adhesives and Sealants Limited  
pursuant to paragraph 24 of Schedule 8  
to the Companies Act 1985

We have examined the abbreviated financial statements on pages 2 to 5 together with the financial statements of Chemique Adhesives and Sealants Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial statements have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1995, and the abbreviated financial statements on pages 2 to 5 have been properly prepared in accordance with that Schedule.

Other information

Today we reported, as auditors of Chemique Adhesives and Sealants Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1995, and our audit report was as follows:

'We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

continued .....

## CHEMIQUE ADHESIVES AND SEALANTS LIMITED

AUDITORS' REPORT ON ABBREVIATED FINANCIAL STATEMENTS  
(continued)

Auditors' report to  
Chemique Adhesives and Sealants Limited  
pursuant to paragraph 24 of Schedule 8  
to the Companies Act 1985

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

**Group financial statements**

In our opinion the company is entitled, for the year ended 31st December 1995, to the exemption, conferred by section 248 of the Companies Act 1985, from the requirement to prepare group financial statements.'



DEAN STATHAM  
Chartered Accountants and  
Registered Auditors  
Bank Passage  
Stafford  
ST16 2JS

Dated:

25-3-96

## ABBREVIATED BALANCE SHEET

at 31st December 1995

	Note	£	1995 £	£	1994 £
Fixed assets					
Tangible assets	2		239,190		288,809
Investments	2		15,000		2
			<u>254,190</u>		<u>288,811</u>
Current assets					
Stocks		219,464		140,722	
Debtors		799,755		678,605	
Cash at bank and in hand		15		18	
		<u>1,019,234</u>		<u>819,345</u>	
Creditors: amounts falling due within one year	3	(787,348)		(759,308)	
Net current assets			<u>231,886</u>		<u>60,037</u>
Total assets less current liabilities			<u>486,076</u>		<u>348,848</u>
Creditors: amounts falling due after more than one year	3		(220,305)		(90,000)
			<u>265,771</u>		<u>258,848</u>
Capital and reserves					
Called up share capital	4		50,000		50,000
Profit and loss account			215,771		208,848
Total shareholders' funds			<u>265,771</u>		<u>258,848</u>

continued .....

## CHEMIQUE ADHESIVES AND SEALANTS LIMITED

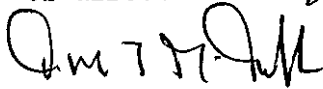
ABBREVIATED BALANCE SHEET  
(continued)

at 31st December 1995

The directors have taken advantage of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

In the preparation of the company's annual financial statements, the directors have taken advantage of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in their opinion, the company is entitled to those exemptions.

The abbreviated financial statements on pages 2 to 5 were approved by the board of directors on 25-3-96.



M J McMullen  
Director

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1995

## 1 Accounting policies

## Basis of accounting

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

## Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

## Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Property improvements	Straight line over term of lease
Plant and machinery	7.5% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	7.5% reducing balance

## Government grants

Government grants on capital expenditure are credited to a deferral account and are released to revenue over the expected useful life of the relevant asset by equal annual instalments. Grants of a revenue nature are credited to income in the period to which they relate.

## Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

## Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

## Pensions

## Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1995

## 2 Fixed assets

Cost or valuation	Tangible fixed assets £	Shares in group undertakings £	Total £
1st January 1995	447,489	2	447,491
Additions	11,242	14,998	26,240
Disposals	(50,137)	-	(50,137)
31st December 1995	<u>408,594</u>	<u>15,000</u>	<u>423,594</u>
Depreciation			
1st January 1995	158,680	-	158,680
Charge for year	34,382	-	34,382
Disposals	(23,658)	-	(23,658)
31st December 1995	<u>169,404</u>	<u>-</u>	<u>169,404</u>
Net book amount			
31st December 1995	<u>239,190</u>	<u>15,000</u>	<u>254,190</u>
1st January 1995	<u>288,809</u>	<u>2</u>	<u>288,811</u>

## Shares in group undertakings

The investment represents a 100% holding in Axil Products Ltd, a company registered in England and Wales.

Due to the exemptions available under section 248 of the Companies Act 1985 the company is exempt from the requirement to prepare group accounts.

In respect of Axil Products Ltd the aggregate capital and reserves at the year end and the loss for the year ended 31st July 1995 were as follows:

	Capital and Reserves £	Loss for the year £
Axil Products Ltd	<u>(57,978)</u>	<u>41,582</u>



## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1995

## 3 Creditors

The bank overdraft of £176,401 is secured by a debenture over the company's assets

Obligations under finance leases  
and hire purchase contracts

	1995 £	1994 £
Amounts included above are repayable over varying periods by monthly instalments as follows:		
In the next year	3,298	18,129
In the second to fifth year	305	-
	<u>3,603</u>	<u>18,129</u>

Creditors other than finance lease  
and hire purchase contracts

Creditors due after more than five years payable other than by instalments	<u>220,000</u>	<u>90,000</u>
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## 4 Called up share capital

	1995		1994	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Allotted called up and fully paid				
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

## 5 Directors' interests and loans

Included in debtors is an amount of £17,842 due from a director of the company, Mr M J McMullen. This was repaid after the year end when Mr McMullen paid £19,000 into the company.

During the year Mr M J McMullen, a director of the company, purchased a car for its market value of £5,000 from the company.

Mr M J McMullen owns one of the units from which the company operates and since 1st March 1989 has rented the premises to the company for a period of 10 years at an annual rent of £24,000.