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REGISTERED NUMBER: 01997888 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017
FOR
ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES**

THURSDAY



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08/03/2018

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COMPANIES HOUSE

The Carley Partnership
Statutory Auditor
St James's House
8 Overcliffe
Gravesend
Kent
DA11 0HJ

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

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FOR THE YEAR ENDED 30 SEPTEMBER 2017

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ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2017

DIRECTORS:

J M M MacKellar
D M M MacKellar
G Whitehead
D Nevitt
V O'Brien
S Tweedy

REGISTERED OFFICE:

Unit 2 Morewood Close
London Road
Sevenoaks
Kent
TN13 2HU

REGISTERED NUMBER:

01997888 (England and Wales)

AUDITORS:

The Carley Partnership
Statutory Auditor
St James's House
8 Overcliffe
Gravesend
Kent
DA11 0HJ

BANKERS:

National Westminster Bank Plc
Deal Branch
31 High Street
Deal
Kent
CT14 6EW

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

The directors present their report with the financial statements of the company for the year ended 30 September 2017.

REVIEW OF BUSINESS

The Group 2016/2017 trading year was strong with both UK parent and US subsidiary businesses delivering strong profits. The year saw significant developments with new system releases, the Polished Plaster Exterior and Acoustic Plaster systems. Both systems have been sold and installed in the UK during 2017 and this contracting will continue during 2018. Simultaneous promotion and training on both systems is underway with principal global partners which is expected to generate additional revenues through sales of each system's components through 2018 and beyond.

DIVIDENDS

The total distribution of dividends for the year ended 30 September 2017 will be £198,311.

RESEARCH AND DEVELOPMENT

The company is undertaking a continuous review of its product base.

DIRECTORS

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

J M M MacKellar
D M M MacKellar
G Whitehead
D Nevitt
V O'Brien
S Tweedy

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.

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.

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

AUDITORS

The auditors, The Carley Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
G Whitehead - Director

Date:

29/1/18

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ARMOURCOAT LIMITED

Opinion

We have audited the financial statements of Armourcoat Limited (the 'company') for the year ended 30 September 2017 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ARMOURCOAT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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.

Responsibilities of directors

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, and for such internal control as the directors determine 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.

Our 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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Claire M Ralph FCCA (Senior Statutory Auditor)
for and on behalf of The Carley Partnership
Statutory Auditor
St James's House
8 Overcliffe
Gravesend
Kent
DA11 0HJ

Date: 27th February 2018

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	2016 £
TURNOVER		5,516,972	5,407,311
Cost of sales		<u>2,583,759</u>	<u>2,627,125</u>
GROSS PROFIT		2,933,213	2,780,186
Distribution costs		136,958	127,576
Administrative expenses		<u>2,326,188</u>	<u>2,443,727</u>
		2,463,146	2,571,303
OPERATING PROFIT	4	470,067	208,883
Interest receivable and similar income		<u>648</u>	<u>586</u>
PROFIT BEFORE TAXATION		470,715	209,469
Tax on profit	5	<u>42,672</u>	<u>24,688</u>
PROFIT FOR THE FINANCIAL YEAR		<u>428,043</u>	<u>184,781</u>

The notes form part of these financial statements

ARMOURCOAT LIMITED (REGISTERED NUMBER: 01997888)
TRADING AS ARMOURCOAT SURFACE FINISHES

BALANCE SHEET
30 SEPTEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	190,046	161,080
Investments	8	612	612
		<u>190,658</u>	<u>161,692</u>
CURRENT ASSETS			
Stocks		413,867	412,787
Debtors	9	2,242,059	1,833,320
Cash at bank and in hand		347,048	373,681
		<u>3,002,974</u>	<u>2,619,788</u>
CREDITORS			
Amounts falling due within one year	10	827,086	649,073
NET CURRENT ASSETS		<u>2,175,888</u>	<u>1,970,715</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,366,546</u>	<u>2,132,407</u>
PROVISIONS FOR LIABILITIES		<u>10,969</u>	<u>6,562</u>
NET ASSETS		<u><u>2,355,577</u></u>	<u><u>2,125,845</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	720	720
Retained earnings	12	2,354,857	2,125,125
SHAREHOLDERS' FUNDS		<u><u>2,355,577</u></u>	<u><u>2,125,845</u></u>

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

The financial statements were approved by the Board of Directors on 29/1/18 and were signed on its behalf by:


D M M Mackellar - Director


G Whitehead - Director

The notes form part of these financial statements

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. STATUTORY INFORMATION

Armourcoat 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

Preparation of consolidated financial statements

The financial statements contain information about Armourcoat Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover and revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the company's activities. Turnover is presented, net of value-added tax, rebates and discounts.

The company recognises revenue when the amount of revenue and related cost can be reliably measured, and it is probable that the collectability of the related receivables is reasonably assured.

Know-how

Know-how is valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over its estimated useful life of 20 years.

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 etc	- 20% on reducing balance, 20% on cost, 15% on reducing balance and 10% on reducing balance
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Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks and work-in-progress

Stocks are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses

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.

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2017

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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 monthly number of employees during the year was 35 (2016 - 39).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2017 £	2016 £
Depreciation - owned assets	<u>37,682</u>	<u>30,694</u>

5. TAXATION

Analysis of the tax charge

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

	2017 £	2016 £
Current tax:		
UK corporation tax	38,265	26,356
Deferred tax	<u>4,407</u>	<u>(1,668)</u>
Tax on profit	<u>42,672</u>	<u>24,688</u>

Included within the charge to UK corporation tax is an overprovision relating to the previous year's liability amounting to £47,465 (2016 - £20,130).

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2017

6. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 October 2016 and 30 September 2017	135,000
AMORTISATION	
At 1 October 2016 and 30 September 2017	135,000
NET BOOK VALUE	
At 30 September 2017	-
At 30 September 2016	-

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 October 2016	769,375
Additions	68,786
Disposals	(3,593)
At 30 September 2017	834,568
DEPRECIATION	
At 1 October 2016	608,295
Charge for year	37,682
Eliminated on disposal	(1,455)
At 30 September 2017	644,522
NET BOOK VALUE	
At 30 September 2017	190,046
At 30 September 2016	161,080

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 October 2016 and 30 September 2017	612
NET BOOK VALUE	
At 30 September 2017	612
At 30 September 2016	612

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2017

9. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,553,563	1,281,302
Amounts owed by group undertakings	126	126
Amounts recoverable on contract	431,678	299,885
Other debtors	174,700	167,333
	<u>2,160,067</u>	<u>1,748,646</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>81,992</u>	<u>84,674</u>
Aggregate amounts	<u>2,242,059</u>	<u>1,833,320</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	362,136	381,341
Amounts owed to group undertakings	2,907	2,907
Taxation and social security	188,338	130,524
Other creditors	273,705	134,301
	<u>827,086</u>	<u>649,073</u>

11. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value:	2017 £	2016 £
400	Ordinary A	£1	400	400
49	Ordinary B	£1	49	49
35	Ordinary C	£1	35	35
201	Ordinary D	£1	201	201
35	Ordinary E	£1	35	35
			<u>720</u>	<u>720</u>

12. RESERVES

	Retained earnings £
At 1 October 2016	2,125,125
Profit for the year	428,043
Dividends	(198,311)
At 30 September 2017	<u>2,354,857</u>

13. FIRST YEAR ADOPTION

The company has adopted the provisions of Financial Reporting Standard 102. No changes were required to the figures reported previously under UK GAAP to bring them into line with the new standard, and so no reconciliation statements are provided.