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REGISTERED NUMBER: 01997888 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019
FOR
ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES**



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

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

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Income Statement	6
Balance Sheet	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

ARMOURCOAT LIMITED
TRADING AS ARMOURCOAT SURFACE FINISHES

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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 (REGISTERED NUMBER: 01997888)
TRADING AS ARMOURCOAT SURFACE FINISHES

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

The directors present their report with the financial statements of the company for the year ended 30 September 2019.

REVIEW OF BUSINESS

The 2018/19 year has seen significant investment in completing the extensive fit out and setting up of the Acoustic manufacturing at Marden and finalising dilapidations at Mill Place. Unfortunately this ongoing expenditure coincided with slow trading in the first six months, specifically explained by concerns over Brexit. In addition a large overseas contracting bad debt was incurred of £124k. It was also necessary to increase stock holding to mitigate against any potential supply problems as a result of Brexit. However a strong performance from Armourcoat Inc resulted in a modest profit for the Group.

Investment in larger premises and manufacturing capability places the company in a strong position to manage and support its growth intent. 2018/19 saw a record number of contract orders secured across all product system offerings providing a strong order book for contracting for both interior and exterior coating projects and for ArmourFX and Acoustic projects. A key 2019/20 focus is on worldwide promotion of the Acoustic system with several overseas projects already completed.

DIVIDENDS

The total distribution of dividends for the year ended 30 September 2019 will be £112,097.

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 2018 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 (REGISTERED NUMBER: 01997888)
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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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: 06/01/2020
.....

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 2019 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its loss 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, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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.

Auditors' 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.

Use of our report

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.

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: 28 January 2020

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

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Notes	2019 £	2018 £
TURNOVER		5,734,574	6,196,540
Cost of sales		<u>2,786,659</u>	<u>3,173,654</u>
GROSS PROFIT		2,947,915	3,022,886
Distribution costs		138,382	106,012
Administrative expenses		<u>2,928,142</u>	<u>2,594,688</u>
		3,066,524	2,700,700
OPERATING (LOSS)/PROFIT	4	(118,609)	322,186
Interest receivable and similar income		<u>535</u>	<u>186</u>
(LOSS)/PROFIT BEFORE TAXATION		(118,074)	322,372
Tax on (loss)/profit	5	<u>(66,711)</u>	<u>7,711</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(51,363)</u>	<u>314,661</u>

The notes form part of these financial statements

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

BALANCE SHEET
30 SEPTEMBER 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	278,771	254,985
Investments	8	612	612
		<u>279,383</u>	<u>255,597</u>
CURRENT ASSETS			
Stocks		572,244	440,271
Debtors	9	1,713,728	2,141,259
Cash at bank and in hand		566,867	509,392
		<u>2,852,839</u>	<u>3,090,922</u>
CREDITORS			
Amounts falling due within one year	10	737,473	778,701
		<u>737,473</u>	<u>778,701</u>
NET CURRENT ASSETS		<u>2,115,366</u>	<u>2,312,221</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,394,749</u>	<u>2,567,818</u>
PROVISIONS FOR LIABILITIES		<u>8,489</u>	<u>18,098</u>
NET ASSETS		<u><u>2,386,260</u></u>	<u><u>2,549,720</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	720	720
Retained earnings	13	2,385,540	2,549,000
		<u>2,386,260</u>	<u>2,549,720</u>
SHAREHOLDERS' FUNDS		<u><u>2,386,260</u></u>	<u><u>2,549,720</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 06/01/2020 and were signed on its behalf by:


D M M MacKellar - Director


G Whitehead - Director

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2017	720	2,354,857	2,355,577
Changes in equity			
Dividends	-	(120,518)	(120,518)
Total comprehensive income	-	314,661	314,661
Balance at 30 September 2018	720	2,549,000	2,549,720
Changes in equity			
Dividends	-	(112,097)	(112,097)
Total comprehensive income	-	(51,363)	(51,363)
Balance at 30 September 2019	720	2,385,540	2,386,260

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

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 number of employees during the year was 38 (2018 - 36).

4. OPERATING (LOSS)/PROFIT

The operating loss (2018 - operating profit) is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	54,296	48,990

5. TAXATION

Analysis of the tax (credit)/charge

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

	2019	2018
	£	£
Current tax:		
UK corporation tax	(57,102)	582
Deferred tax	(9,609)	7,129
Tax on (loss)/profit	(66,711)	7,711

Included within the charge to UK corporation tax is an overprovision relating to the previous year's liability amounting to £57,102 (2018 - £51,895).

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

6. INTANGIBLE FIXED ASSETS

	Other intangible assets £
COST	
At 1 October 2018 and 30 September 2019	135,000
AMORTISATION	
At 1 October 2018 and 30 September 2019	135,000
NET BOOK VALUE	
At 30 September 2019	-
At 30 September 2018	-

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 October 2018	947,736
Additions	91,367
Disposals	(34,917)
At 30 September 2019	1,004,186
DEPRECIATION	
At 1 October 2018	692,751
Charge for year	54,296
Eliminated on disposal	(21,632)
At 30 September 2019	725,415
NET BOOK VALUE	
At 30 September 2019	278,771
At 30 September 2018	254,985

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 October 2018 and 30 September 2019	612
NET BOOK VALUE	
At 30 September 2019	612
At 30 September 2018	612

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2019

9. DEBTORS

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,161,112	1,413,935
Amounts owed by group undertakings	126	126
Amounts recoverable on contract	168,635	242,483
Other debtors	154,819	248,334
	<u>1,484,692</u>	<u>1,904,878</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>229,036</u>	<u>236,381</u>
Aggregate amounts	<u>1,713,728</u>	<u>2,141,259</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	333,936	427,612
Amounts owed to group undertakings	2,907	2,907
Taxation and social security	129,597	91,659
Other creditors	271,033	256,523
	<u>737,473</u>	<u>778,701</u>

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	196,777	191,927
Between one and five years	661,231	740,548
In more than five years	1,377,835	1,477,835
	<u>2,235,843</u>	<u>2,410,310</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2019 £	2018 £
Number:	Class:	£1	720	720
720	Ordinary		<u>720</u>	<u>720</u>

13. RESERVES

	Retained earnings £
At 1 October 2018	2,549,000
Deficit for the year	(51,363)
Dividends	(112,097)
At 30 September 2019	<u>2,385,540</u>