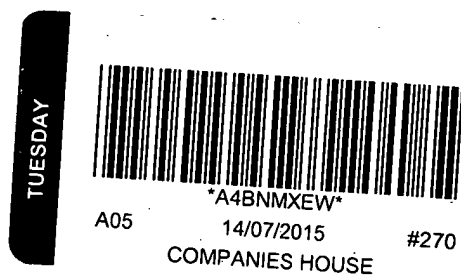


Registered number: 02750238

**Metamark (UK) Limited**

**Annual Report  
and Financial Statements**

**For the year ended 31 March 2015**



**CLB**  
**coopers**  
Chartered Accountants  
Delivering solutions through excellence

# **METAMARK (UK) LIMITED**

## **Company Information**

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<b>Directors</b>	Mr G M Bateson Mr J M Stuart Mr P French
<b>Company secretary</b>	Mr J M Stuart
<b>Registered number</b>	02750238
<b>Registered office</b>	Luneside New Quay Road Lancaster LA1 5QP
<b>Independent auditor</b>	CLB Coopers Fleet House New Road Lancaster LA1 1EZ

# **METAMARK (UK) LIMITED**

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# METAMARK (UK) LIMITED

**Strategic report**  
**For the year ended 31 March 2015**

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## **Business review**

The results of the company were in line with the directors expectations for the year, the growth in sales and profitability has been driven by the increasing demand and applications in the Media Graphics industry. The growth is coming from growing both number of customers and an increase in the average spend per customer, both of which are tracked with KPI's.

There are no concerns as to the future prospects of the company as the organic growth within the industries served is anticipated to remain buoyant, plus with the ongoing investments within the business our growth rate will continue in line with the past few years.

## **Principal risks and uncertainties**

The directors feel that there is very low risk or uncertainty associated with the business at this time due to the nature and diversity of the market which brings minimised risk sensitivity.


## **Financial key performance indicators**

The directors consider that the key financial performance indicators are those that communicate the financial controls and strength of the company as a whole, these being turnover, gross margin, working capital and return on capital employed.

This report was approved by the board and signed on its behalf.



**Mr G M Bateson**  
Director



**Mr P French**  
Director

Date:

8<sup>th</sup> July 2015.

# **METAMARK (UK) LIMITED**

## **Directors' report For the year ended 31 March 2015**

---

The directors present their report and the financial statements for the year ended 31 March 2015.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, the directors' report 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 judgments 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.

### **Principal activities**

The principal activity of the company during the year was that of manufacturers and distributors of sign making materials.

### **Results**

The profit for the year, after taxation, amounted to £2,760,628 (2014: £2,506,310).

### **Directors**

The directors who served during the year were:

Mr G M Bateson  
Mr J M Stuart  
Mr P French

Directors' interests in the shares of the company are disclosed in note 6 to the financial statements.

### **Financial instruments**

Details of the company's financial risk management objectives and policies are included in note 22 to the financial statements.

# METAMARK (UK) LIMITED

## Directors' report For the year ended 31 March 2015

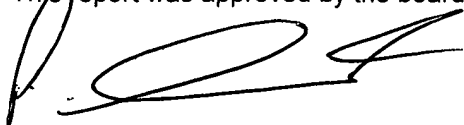
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### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board and signed on its behalf.



**Mr P French**  
Director

Date: 8<sup>th</sup> July 2015

# **METAMARK (UK) LIMITED**

## **Independent auditor's report to the shareholders of Metamark (UK) Limited**

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We have audited the financial statements of Metamark (UK) Limited for the year ended 31 March 2015, set out on pages 6 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the directors' responsibilities statement, 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report and the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 31 March 2015 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **METAMARK (UK) LIMITED**

### **Independent auditor's report to the shareholders of Metamark (UK) Limited**

---

#### **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.

*CLB Coopers.*

Philip Whiteway (senior statutory auditor)

for and on behalf of

**CLB Coopers**

Statutory Auditors and Chartered Accountants

Fleet House

New Road

Lancaster

LA1 1EZ

Date: *8 July 2015*



# METAMARK (UK) LIMITED

## Profit and loss account For the year ended 31 March 2015

	Note	2015 £	2014 £
<b>Turnover</b>	1,2	<b>23,948,278</b>	20,950,553
Cost of sales		<b>(14,305,257)</b>	(11,977,644)
<b>Gross profit</b>		<b>9,643,021</b>	8,972,909
Distribution costs		<b>(2,960,681)</b>	(2,470,287)
Administrative expenses		<b>(3,147,441)</b>	(2,962,781)
Exceptional administrative expenses		<b>(29,000)</b>	(293,000)
Total administrative expenses		<b>(3,176,441)</b>	(3,255,781)
<b>Operating profit</b>	3	<b>3,505,899</b>	3,246,841
Interest payable and similar charges	7	<b>(6,099)</b>	(6,514)
<b>Profit on ordinary activities before taxation</b>		<b>3,499,800</b>	3,240,327
Tax on profit on ordinary activities	8	<b>(739,172)</b>	(734,017)
<b>Profit for the financial year</b>	17	<b>2,760,628</b>	2,506,310

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 9 to 22 form part of these financial statements.

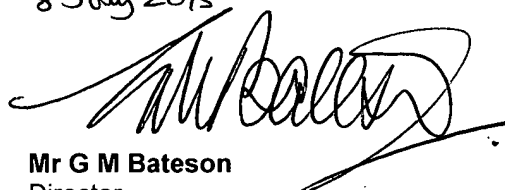
**METAMARK (UK) LIMITED**

Registered number: 02750238


**Balance sheet****As at 31 March 2015**

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	9		2,094,409		1,476,834
<b>Current assets</b>					
Stocks	10	2,893,032		2,414,951	
Debtors	11	4,854,559		4,893,779	
Cash at bank and in hand		924,407		445,663	
		<u>8,671,998</u>		<u>7,754,393</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(5,004,833)</u>		<u>(4,461,064)</u>	
<b>Net current assets</b>			<u>3,667,165</u>		<u>3,293,329</u>
<b>Total assets less current liabilities</b>			<u>5,761,574</u>		<u>4,770,163</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(350,000)</u>		<u>(25,000)</u>
<b>Provisions for liabilities</b>					
Deferred tax	14		<u>(250,845)</u>		<u>(142,536)</u>
<b>Net assets</b>			<u><u>5,160,729</u></u>		<u><u>4,602,627</u></u>
<b>Capital and reserves</b>					
Called up share capital	15		5,264		5,000
Share premium account	17		129,338		-
Capital redemption reserve	17		2,500		2,500
Other reserves	17		64,764		-
Profit and loss account	17		<u>4,958,863</u>		<u>4,595,127</u>
<b>Shareholders' funds</b>	18		<u><u>5,160,729</u></u>		<u><u>4,602,627</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 July 2015



**Mr G M Bateson**  
Director



**Mr P French**  
Director

The notes on pages 9 to 22 form part of these financial statements.

# METAMARK (UK) LIMITED

## Cash flow statement For the year ended 31 March 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	19	3,756,161	2,709,972
Returns on investments and servicing of finance	20	(6,099)	(5,210)
Taxation	20	(664,385)	(627,439)
Capital expenditure and financial investment	20	(764,643)	(319,553)
Equity dividends paid		(2,396,892)	(1,543,315)
<b>Cash (outflow)/inflow before financing</b>		<b>(75,858)</b>	<b>214,455</b>
Financing	20	554,602	(100,000)
<b>Increase in cash in the year</b>		<b>478,744</b>	<b>114,455</b>

## Reconciliation of net cash flow to movement in net funds For the year ended 31 March 2015

	2015 £	2014 £
Increase in cash in the year	478,744	114,455
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing	(425,000)	100,000
<b>Movement in net debt in the year</b>	<b>53,744</b>	<b>214,455</b>
Net funds at 1 April 2014	320,663	106,208
<b>Net funds at 31 March 2015</b>	<b>374,407</b>	<b>320,663</b>

The notes on pages 9 to 22 form part of these financial statements.

# **METAMARK (UK) LIMITED**

## **Notes to the financial statements For the year ended 31 March 2015**

---

### **1. Accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **1.2 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	10-12.5% straight line basis
Motor vehicles	-	25% straight line basis
Fixtures, fittings and equipment	-	20-33% straight line basis
Leasehold improvements	-	over the length of the lease

#### **1.4 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### **1.5 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### **1.6 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

---

### 1. Accounting policies (continued)

#### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the transactions in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### 1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

#### 1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

#### 1.10 Financial instruments

Financial Instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### 1.11 Liquid resources

Liquid resources comprise deposits held by recognised banks and building societies.

#### 1.12 Employee share schemes

The difference between consideration receivable from employees for share and share option awards granted under the company's employee share schemes and the fair market value of the underlying Ordinary shares at the date of grant is charged against profit as a share compensation expense evenly over the period during which the award vests.

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 2. Turnover

The whole of the turnover is attributable to the one principal activity of the company.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	15,498,277	13,594,680
Europe	4,353,352	4,006,822
North and South America	606,114	528,278
Middle East	1,570,365	1,164,321
Australia	1,593,373	1,373,140
Asia	97,007	145,326
Africa	229,790	137,986
	<u>23,948,278</u>	<u>20,950,553</u>

### 3. Operating profit

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

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	125,465	141,002
- held under finance leases	21,434	-
Operating lease rentals:		
- plant and machinery	65,761	59,886
- other operating leases	371,110	385,577
Net losses on foreign exchange	107,187	61,167
Exceptional - redundancy costs	29,000	293,000
	<u></u>	<u></u>

### 4. Auditor's remuneration

	2015 £	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>10,925</u>	<u>7,375</u>

## METAMARK (UK) LIMITED

### Notes to the financial statements For the year ended 31 March 2015

#### 5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	2,601,380	2,352,186
Social security costs	272,788	262,735
Other pension costs	81,257	75,421
	<u>2,955,425</u>	<u>2,690,342</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Production and distribution staff	52	40
Administrative staff	19	18
Management staff	3	3
Marketing staff	9	8
	<u>83</u>	<u>69</u>

#### 6. Directors' remuneration

	2015 £	2014 £
Remuneration	<u>291,362</u>	<u>475,121</u>
Company pension contributions to defined contribution pension schemes	<u>37,465</u>	<u>29,958</u>

During the year retirement benefits were accruing to 2 directors (2014: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £135,525 (2014: £223,808).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £21,467 (2014: £19,800).

The interests in share options, over the £1 Ordinary shares in the company were as follows;

On 7 December 2012 the company granted 585 share options to Mr P French at a market price of £490.92. The exercise price of these share options is £490.92 per share and the exercise period is from 7 December 2012 to 6 December 2022. At the balance sheet date Mr P French had 321 (2014: Nil) shares under option. 264 (2014: Nil) share options were exercised during the year.

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 7. Interest payable and similar charges

	2015 £	2014 £
Interest payable on bank borrowing	3,018	6,514
On finance leases and hire purchase contracts	3,081	-
	<u>6,099</u>	<u>6,514</u>

### 8. Taxation

	2015 £	2014 £
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b>		
UK corporation tax charge on profit for the year	630,863	691,323
<b>Deferred tax</b> (see note 14)		
Origination and reversal of timing differences	108,309	42,694
<b>Tax on profit on ordinary activities</b>	<u>739,172</u>	<u>734,017</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 21% (2014: 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	<u>3,499,800</u>	<u>3,240,327</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014: 23%)	734,958	745,275
<b>Effects of:</b>		
Expenses not deductible for tax purposes	4,171	3,969
Capital allowances for year in excess of depreciation	(107,791)	(57,921)
Adjustment in respect of provisions	(510)	-
Capital gains	35	-
<b>Current tax charge for the year</b>	<u>630,863</u>	<u>691,323</u>



# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 9. Tangible fixed assets

	Leasehold improvements £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2014	193,244	1,530,309	412,400	9,838	2,145,791
Additions	85,245	636,015	46,203	-	767,463
Disposals	-	(7,132)	-	-	(7,132)
At 31 March 2015	278,489	2,159,192	458,603	9,838	2,906,122
<b>Depreciation</b>					
At 1 April 2014	74,659	254,755	329,705	9,838	668,957
Charge for the year	23,847	102,041	21,011	-	146,899
On disposals	-	(4,143)	-	-	(4,143)
At 31 March 2015	98,506	352,653	350,716	9,838	811,713
<b>Net book value</b>					
At 31 March 2015	179,983	1,806,539	107,887	-	2,094,409
At 31 March 2014	118,585	1,275,554	82,695	-	1,476,834

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Plant and machinery	949,034	-

### 10. Stocks

	2015 £	2014 £
Raw materials	1,194,872	969,309
Work in progress	98,748	61,821
Finished goods and goods for resale	1,599,412	1,383,821
	2,893,032	2,414,951

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 11. Debtors

	2015 £	2014 £
<b>Due after more than one year</b>		
Other debtors	129,602	-
<b>Due within one year</b>		
Trade debtors	4,615,015	4,784,621
Other debtors	9,594	10,492
Prepayments and accrued income	100,348	98,666
	<u>4,854,559</u>	<u>4,893,779</u>

### 12. Creditors: Amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	-	100,000
Net obligations under finance leases and hire purchase contracts	200,000	-
Trade creditors	3,833,052	3,054,224
Corporation tax	285,269	318,791
Other taxation and social security	577,761	547,323
Other creditors	475	1,090
Accruals and deferred income	108,276	439,636
	<u>5,004,833</u>	<u>4,461,064</u>

Amounts owed under finance leases are secured against the assets to which they relate.

In the prior year bank loans amounting to £100,000 were secured by a guarantee from Mr G M Bateson and Mr J M Stuart, directors.

### 13. Creditors: Amounts falling due after more than one year

	2015 £	2014 £
Bank loans	-	25,000
Net obligations under finance leases and hire purchase contracts	350,000	-
	<u>350,000</u>	<u>25,000</u>

## METAMARK (UK) LIMITED

### Notes to the financial statements For the year ended 31 March 2015

#### 13. Creditors: Amounts falling due after more than one year (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	<u>350,000</u>	<u>-</u>

Amounts owed under finance leases are secured against the assets to which they relate.

In the prior year bank loans amounting to £25,000 were secured by a guarantee from Mr G M Bateson and Mr J M Stuart, directors.

#### 14. Deferred taxation

	2015 £	2014 £
At beginning of year	142,536	99,842
Movement in the year	108,309	42,694
At end of year	<u>250,845</u>	<u>142,536</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	251,392	99,842
Other timing differences	(547)	42,694
	<u>250,845</u>	<u>142,536</u>

#### 15. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
5,000 Ordinary A shares of £1 each	5,000	5,000
264 Ordinary B shares of £1 each	264	-
	<u>5,264</u>	<u>5,000</u>

## METAMARK (UK) LIMITED

### Notes to the financial statements For the year ended 31 March 2015

---

#### 15. Share capital (continued)

On 24 October 2014 the company issued 264 £1 Ordinary B shares under the Enterprise Management Incentive Scheme for cash consideration of £490.92 per share.

The company has granted share options under the Enterprise Management Incentive Scheme ("EMI").

Options to acquire Ordinary shares under the EMI may be granted to a maximum of £250,000 and may not exceed the lower of 585 shares or 10% of the issued share capital of the company, or such other limit as may be prescribed from time to time for the purposes of Schedule 5, ITEPA (based on the market value of the shares placed under option at the date of the grant).

No consideration is payable for the grant of an option and options are not transferable or assignable. Cash consideration is paid to the company by the employee at the point that the share options are exercised.

Options to subscribe in Ordinary shares of £1, are shown below;

On 19 April 2011 the company granted 263 share options at a market price of £399. The exercise price of these share options is £399 per share and the exercise period is from 19 April 2011 to 18 April 2021. At the balance sheet date Nil (2014: 159) shares were under option. All shares options were forfeited during the year.

On 7 December 2012 the company granted 585 share options to Mr P French at a market price of £490.92. The exercise price of these share options is £490.92 per share and the exercise period is from 7 December 2012 to 6 December 2022. At the balance sheet date Mr P French had 321 (2014: Nil) shares under option. 264 share options were exercised in the year (2014: Nil).

Until 24 October 2014 the options were exercisable on and only on takeover or sale of the business. From 24 October 2014 the terms of the scheme were amended and the option holder was granted an immediate right to acquire a 5% holding in the company at the option exercise price and all future options are now exercisable at the discretion of the option holder and the directors.

The options were granted in accordance with the terms and conditions as set out in the Company Share Option Scheme Rules.

#### 16. Dividends

	2015 £	2014 £
Dividends paid on equity capital	<u>2,396,892</u>	<u>1,543,315</u>

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 17. Reserves

	Share premium account £	Capital redemption reserve £	Share- based payment reserve £	Profit and loss account £
At 1 April 2014	-	2,500	-	4,595,127
Profit for the financial year	-	-	-	2,760,628
Dividends: Equity capital	-	-	-	(2,396,892)
Premium on shares issued during the year	129,338	-	-	-
Movement on other reserves	-	-	64,764	-
At 31 March 2015	<u>129,338</u>	<u>2,500</u>	<u>64,764</u>	<u>4,958,863</u>

### 18. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	4,602,627	3,639,632
Profit for the financial year	2,760,628	2,506,310
Dividends (Note 16)	(2,396,892)	(1,543,315)
Shares issued during the year	264	-
Share premium on shares issued	129,338	-
Share-based payment	64,764	-
Closing shareholders' funds	<u>5,160,729</u>	<u>4,602,627</u>

### 19. Net cash flow from operating activities

	2015 £	2014 £
Operating profit	3,505,899	3,246,841
Depreciation of tangible fixed assets	146,899	141,002
Loss on disposal of tangible fixed assets	169	-
Increase in stocks	(478,081)	(405,286)
Decrease/(increase) in debtors	39,220	(844,510)
Increase in creditors	477,291	571,925
Share-based payment	64,764	-
Net cash inflow from operating activities	<u>3,756,161</u>	<u>2,709,972</u>

# METAMARK (UK) LIMITED

## Notes to the financial statements For the year ended 31 March 2015

### 20. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest paid	(3,018)	(5,210)
Hire purchase interest	(3,081)	-
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(6,099)</b>	<b>(5,210)</b>
	2015 £	2014 £
<b>Taxation</b>		
Corporation tax	(664,385)	(627,439)
	2015 £	2014 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(767,463)	(319,553)
Sale of tangible fixed assets	2,820	-
<b>Net cash outflow from capital expenditure</b>	<b>(764,643)</b>	<b>(319,553)</b>
	2015 £	2014 £
<b>Financing</b>		
Issue of ordinary shares	129,602	-
Repayment of loans	(50,000)	(100,000)
New finance leases	525,000	-
Repayment of finance leases	(50,000)	-
<b>Net cash inflow/(outflow) from financing</b>	<b>554,602</b>	<b>(100,000)</b>

## METAMARK (UK) LIMITED

### Notes to the financial statements For the year ended 31 March 2015

#### 21. Analysis of changes in net funds

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	445,663	478,744	-	924,407
Finance leases	-	(475,000)	(75,000)	(550,000)
Debts due within one year	(100,000)	25,000	75,000	-
Debts falling due after more than one year	(25,000)	25,000	-	-
<b>Net funds</b>	<b>320,663</b>	<b>53,744</b>	<b>-</b>	<b>374,407</b>

#### 22. Financial risk management objectives and policies

The company holds or issues financial instruments in order to achieve three main objectives, being:

(a) to finance its operations;

(b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and

(c) for trading purposes.

In addition, the company has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

##### Interest rate risk

The company is exposed to cash flow interest rate risk on bank overdrafts and loans. The company has entered into agreements on its overdraft and loan so as to minimise its exposure to changes in interest rates.

##### Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts whenever considered necessary.

##### Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

##### Currency risk

The company's principal foreign currency exposures arise from trading with overseas companies. The company seeks to invoice and be invoiced in its principal trading currency wherever possible so as to minimise its exposure to foreign currency movements.

## METAMARK (UK) LIMITED

### Notes to the financial statements For the year ended 31 March 2015

#### 23. Capital commitments

At 31 March 2015 the company had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	<u>78,519</u>	<u>-</u>

#### 24. Pension commitments

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company in independent trustee administered funds. The cost charge for the year amounted to £81,257 (2014: £75,421). At the balance sheet date the company owed £5,145 (2014: £4,536) to the pension scheme.

#### 25. Operating lease commitments

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
<b>Expiry date:</b>				
Within 1 year	106,000	-	-	5,759
Between 2 and 5 years	131,380	237,380	61,654	43,827
After more than 5 years	140,940	140,940	-	-

#### 26. Directors' benefits: advances, credit and guarantees

During the year the company loaned funds, interest free, to Mr P French. The amount advanced and the maximum overdrawn amount during the year was £129,602. At the balance sheet date the company was owed £129,602 (2014: £Nil) by Mr P French.

#### 27. Related party transactions

During the year the company paid dividends of £1,129,680 (2014: £771,657) to Mr G M Bateson, a director.

During the year the company paid dividends of £1,129,680 (2014: £771,657) to Mr J M Stuart.

During the year the company paid dividends of £137,532 (2014: £Nil) to Mr P French.

During the year the company paid rent amounting to £245,722 (2014: £237,381) to Mayday Properties, an entity controlled by Mr G M Bateson.

During the year the company made sales amounting to £769 (2014: £8,206) to Vuflex Limited and made purchases amounting to £221,206 (2014: £187,328) from Vuflex Limited, a company in which Mr G M Bateson is a director. At the balance sheet date the company owed £46,432 (2014: £52,324) to Vuflex Limited.



## **METAMARK (UK) LIMITED**

**Notes to the financial statements**  
**For the year ended 31 March 2015**

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**28. Controlling party**

Throughout the current and preceding year there was no ultimate controlling party.

**29. Post balance sheet events**

Since the balance sheet date the company has paid dividends amounting to £620,817.