

Company Registration No. 02878763 (England and Wales)

NOR-COTE INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019
PAGES FOR FILING WITH REGISTRAR

NOR-COTE INTERNATIONAL LIMITED

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NOR-COTE INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		26,874		29,916
Tangible assets	4		7,422		10,138
Current assets					
Stocks		165,862		158,765	
Debtors	5	426,786		416,892	
Cash at bank and in hand		45,659		85,609	
		<u>638,307</u>		<u>661,266</u>	
Creditors: amounts falling due within one year	6	<u>(75,896)</u>		<u>(110,164)</u>	
Net current assets			562,411		551,102
Total assets less current liabilities			596,707		591,156
Provisions for liabilities			(821)		(1,326)
Net assets			<u>595,886</u>		<u>589,830</u>
Capital and reserves					
Called up share capital	7		250,000		250,000
Profit and loss reserves			345,886		339,830
Total equity			<u>595,886</u>		<u>589,830</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved and signed by the director and authorised for issue on 6 March 2020

Mr M Bain
Director

Company Registration No. 02878763

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

Company information

Nor-Cote International Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 8 Warrior Park, Eagle Close, Chandler's Ford Industrial Estate, Eastleigh, Hampshire, United Kingdom. SO53 4NF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Sale of goods are recognised when goods are dispatched and title has passed.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	10% straight line
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1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the life of the lease
Plant and machinery	At variable rates between 5% & 20% straight line
Computer equipment	At variable rates between 20% & 33% straight line

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets. A provision is made for any impairment loss and taken to the profit and loss account.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company only enters into Basic financial instrument transactions.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in the tax assessments.

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

The company's liability for current and deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 5 (2018 - 6).

3 Intangible fixed assets

	Other £
Cost	
At 1 September 2018 and 31 August 2019	30,423
Amortisation and impairment	
At 1 September 2018	507
Amortisation charged for the year	3,042
At 31 August 2019	3,549
Carrying amount	
At 31 August 2019	26,874
At 31 August 2018	29,916

4 Tangible fixed assets

	Leasehold land and buildings	Plant and machinery	Computer equipment	Total
	£	£	£	£
Cost				
At 1 September 2018 and 31 August 2019	71,187	106,178	174,428	351,793
Depreciation and impairment				
At 1 September 2018	71,186	104,701	165,768	341,655
Depreciation charged in the year	1	433	2,282	2,716
At 31 August 2019	71,187	105,134	168,050	344,371
Carrying amount				
At 31 August 2019	-	1,044	6,378	7,422
At 31 August 2018	1	1,477	8,660	10,138

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

5 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	121,444	153,291
Other debtors	275,737	222,891
Prepayments and accrued income	29,605	40,710
	<u>426,786</u>	<u>416,892</u>
	<u><u>426,786</u></u>	<u><u>416,892</u></u>
6 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	41,996	63,715
Corporation tax	4,556	2,000
Other taxation and social security	4,856	5,911
Other creditors	2,105	1,528
Accruals and deferred income	22,383	37,010
	<u>75,896</u>	<u>110,164</u>
	<u><u>75,896</u></u>	<u><u>110,164</u></u>
7 Called up share capital	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
250,000 Ordinary of £1 each	250,000	250,000
	<u>250,000</u>	<u>250,000</u>
	<u><u>250,000</u></u>	<u><u>250,000</u></u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Angela Trainor.
The auditor was HJS Accountants Limited.

NOR-COTE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
53,761	76,582
<u>53,761</u>	<u>76,582</u>

10 Related party transactions

The company has taken advantage of the exemption in FRS102 "Related Party Disclosures" from disclosing transactions with other members of the group.

11 Parent company

The company is controlled by Nor-cote International Incorporated, a company registered in the United States of America. The consolidated accounts of Nor-Cote International Incorporated are available from Nor-Cote International Inc. 506 Lafayette Avenue. PO Box 668, Crawfordsville, Indiana, 47933, USA. The group is controlled by John Fisbeck by way of a controlling interest in the parent company, Nor-cote International Incorporated.

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.