

Healy Chemicals Limited
Reports and Financial Statements
for the year ended 30 June 2017

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Company Number: 03100489

Healy Chemicals Limited

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Healy Chemicals Limited
DIRECTORS AND OTHER INFORMATION

Directors

Maurice Healy
Anthony Healy
Gareth Healy
Christian Francke
Udo Hinkelmann
Gerrit Jan Wesselink

Company Secretary

Anthony Healy

Company Number

03100489

Registered Office

Interlink Way West
Bardon Industrial Estate
Bardon Hill
Leicestershire LE67 1 HH

Business Address

Interlink Way West
Bardon Industrial Estate
Bardon Hill
Leicestershire LE67 1HH

Auditors

Whelan Dowling & Associates
Chartered Accountants & Statutory Audit Firm
Block 1 Unit 1 & 4
Northwood Court
Santry
Dublin 9
Ireland

Bankers

National Westminster Bank PLC
Leicester City Branch
14-16 Haymarket
Leicester
LE1 3NT

Barclays
PO Box 1500
Dominus Way
Meridian Business Park
Leicester
LE1 3NT

Solicitors

Websters Solicitors
Bridle House
Nursery Lane
Quorn
Loughborough
Leicester
LE1 8BH

Healy Chemicals Limited
STRATEGIC REPORT
for the year ended 30 June 2017

Review of the Company's Business

The principal activity of the company during the year under review is that of the wholesale of chemical products.

Principal Risks and Uncertainties

The management team continually monitors the key risks facing the company and introduces controls to manage these risks.

Development and Performance

Revenue increased by £1,937,135 to £12,390,697 in 2017. In order to achieve this the gross margin has dropped to 15.73% and the company reported an after tax profit of £335,796 compared to £472,550 in 2016.

Financial Key Performance Indicators

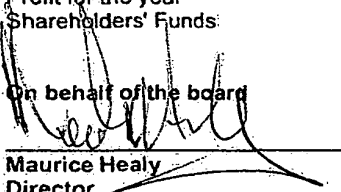
Management use a range of performance measures to monitor and manage the business. The performance measures used are set out as follows:

Profit Ratios

The Profit Ratios during the year were as follows:

	2017 £	2016 £
Revenue	12,390,697	10,452,562
Gross Profit Margin %	16	19
Gross profit	1,949,299	2,035,208
Profit for the year	335,796	472,550
Shareholders' Funds	1,949,421	1,210,025

On behalf of the board


Maurice Healy
Director

20 September 2017


Udo Hinkelmann
Director

20 September 2017

Healy Chemicals Limited
DIRECTORS' REPORT
for the year ended 30 June 2017

The directors present their report and the audited financial statements for the year ended 30 June 2017.

Principal Activity

The principal activity of the company during the year under review is that of the wholesale of chemical products.

Results and Dividends

The profit for the year after providing for depreciation and taxation amounted to £335,796 (2016 - £472,550).
The directors have paid a final dividend amounting to £350,000.

During the year under review the company paid a final dividend of £175,000 to each of its shareholders which related to the previous financial year end.

Directors

The directors who served during the year are as follows:

Maurice Healy
Anthony Healy
Gareth Healy
Christian Francke
Udo Hinkelmann
Gerrit Jan Wesselink

There were no changes in shareholdings between 30 June 2017 and the date of signing the financial statements.

In accordance with the Articles of Association, the directors retire by rotation and, being eligible, offer themselves for re-election.

Future Developments

The directors have no plans to change the current operations of the company in the foreseeable future.

Post Statement of Financial Position Events

There have been no significant events affecting the company since the year-end.

Charitable and political contributions

The company did not make any disclosable political donations in the current year.

Auditors

The auditors, Whelan Dowling & Associates, (Chartered Accountants & Statutory Audit Firm) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

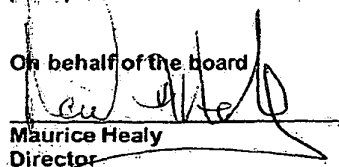
Financial Risk Management Objectives and Policies

The company makes little use of financial instruments other than an operational bank account, so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Matters covered in Strategic Report

As permitted by Paragraph 1A of Schedule 7 of the large & Medium-sized Companies & Groups (Accounts and Reports) Regulations 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on page 4. These matters relate to review of business and principal risks and uncertainties of the company.

On behalf of the board


Maurice Healy
Director

20 September 2017


Udo Hinkelmann
Director

20 September 2017

Healy Chemicals Limited
STATEMENT OF DIRECTORS' RESPONSIBILITIES
for the year ended 30 June 2017

The directors are responsible for preparing the Strategic Report, 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) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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:

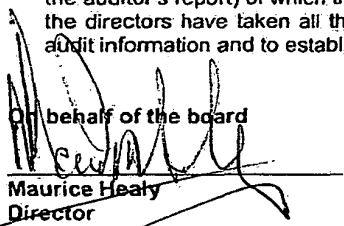
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board


Maurice Healy
Director

20 September 2017


Udo Hinkelmann
Director

20 September 2017

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Healy Chemicals Limited

We have audited the financial statements of Healy Chemicals Limited for the year ended 30 June 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. 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), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 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 June 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 Auditor's 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 included in the annual report, other than the financial statements and our auditor's report 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT

to the Shareholders of Healy Chemicals Limited

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6 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 is 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.

Auditor's 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 an auditor's report 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.


As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT **to the Shareholders of Healy Chemicals Limited**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Sean Whelan FCA (Senior Statutory Auditor)
for and on behalf of
WHELAN DOWLING & ASSOCIATES
Chartered Accountants & Statutory Audit Firm
Block 1, Unit 1 & 4,
Northwood Court,
Santry
Dublin 9
Ireland

Healy Chemicals Limited
INCOME STATEMENT
for the year ended 30 June 2017

	Notes	2017 £	2016 £
Revenue	5	12,390,697	10,453,562
Cost of sales		(10,441,397)	(8,418,353)
Gross profit		1,949,300	2,035,209
Administrative expenses		(1,849,086)	(1,636,254)
Other operating income		311,195	236,308
Operating profit	6	411,409	635,263
Finance costs	7	(10,881)	(6,502)
Profit on ordinary activities before taxation		400,528	628,761
Tax on profit on ordinary activities	9	(64,732)	(156,211)
Profit for the year		335,796	472,550

Healy Chemicals Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	2017 £	2016 £
Profit on ordinary activities after taxation	335,796	472,550
Revaluation reserve unrealised movement on revaluation of property	942,000	-
Taxation on unrealised revaluation gains	(188,400)	-
Total comprehensive income relating to the year	<u>1,089,396</u>	<u>472,550</u>

Healy Chemicals Limited

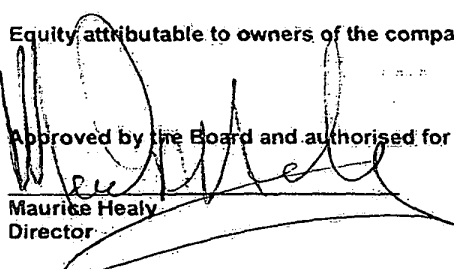
Company Number: 03100489

STATEMENT OF FINANCIAL POSITION

as at 30 June 2017

	Notes	2017 £	2016 £
Non-Current Assets			
Property, plant and equipment	11	3,191,135	2,199,307
Current Assets			
Inventories	12	903,185	686,842
Receivables	13	2,546,838	1,929,037
Cash and cash equivalents		773,336	658,399
		4,223,359	3,274,278
Payables: Amounts falling due within one year	14	(1,782,266)	(2,113,819)
Net Current Assets		2,441,093	1,160,459
Total Assets less Current Liabilities		5,632,228	3,359,766
Payables:			
Amounts falling due after more than one year	15	(3,494,407)	(2,149,741)
Provision for Liabilities and Charges	17	(188,400)	-
Net Assets		1,949,421	1,210,025
Equity			
Called up share capital	18	200	200
Revaluation reserve		942,000	-
Income statement		1,007,221	1,209,825
Equity attributable to owners of the company		1,949,421	1,210,025

Approved by the Board and authorised for issue on 20 September 2017 and signed on its behalf by


Maurice Healy
Director
Udo Hinkelmann
Director

Healy Chemicals Limited
STATEMENT OF CHANGES IN EQUITY
as at 30 June 2017

	Share capital	Revaluation reserve	Retained earnings	Total
	£	£	£	£
At 1 July 2015	200	-	937,275	937,475
Profit for the year	-	-	472,550	472,550
Payment of dividends	-	-	(200,000)	(200,000)
At 30 June 2016	200	-	1,209,825	1,210,025
Profit for the year	-	-	335,796	335,796
Other gains and losses	-	942,000	(188,400)	753,600
Total comprehensive income	-	942,000	147,396	1,089,396
Payment of dividends	-	-	(350,000)	(350,000)
At 30 June 2017	200	942,000	1,007,221	1,949,421

Healy Chemicals Limited
STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Profit for the year		335,796	472,550
Adjustments for:			
Finance costs		10,881	6,502
Tax on profit on ordinary activities		64,732	156,211
Depreciation		94,342	107,628
		<u>505,751</u>	<u>742,891</u>
Movements in working capital:			
Movement in inventories		(216,343)	84,522
Movement in receivables		(617,801)	751,477
Movement in payables		467,793	(524,501)
		<u>139,400</u>	<u>1,054,389</u>
Cash generated from operations			
Interest paid		(10,881)	(6,502)
Tax paid		(142,811)	(268,126)
		<u>(14,292)</u>	<u>779,761</u>
Net cash (used in)/generated from operating activities			
		<u>(14,292)</u>	<u>779,761</u>
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(144,170)	(38,252)
		<u>(144,170)</u>	<u>(38,252)</u>
Cash flows from financing activities			
New long term loan		1,500,000	-
Repayment of short term loan		(202,765)	(171,783)
Movement in funding from subsidiaries/group companies and connected parties		(673,836)	37,830
Dividends paid		(350,000)	(200,000)
		<u>273,399</u>	<u>(333,953)</u>
Net cash generated from/(used in) financing activities			
		<u>273,399</u>	<u>(333,953)</u>
Net increase in cash and cash equivalents		<u>114,937</u>	<u>407,556</u>
Cash and cash equivalents at beginning of financial year		<u>658,399</u>	<u>250,843</u>
Cash and cash equivalents at end of financial year	26	<u><u>773,336</u></u>	<u><u>658,399</u></u>

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

1. GENERAL INFORMATION

Healy Chemicals Limited is a company limited by shares incorporated in the United Kingdom.

2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the year ended 30 June 2017 have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council and in accordance with the Companies Act 2006.

Basis of preparation

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Revenue

The turnover of the company is the amount invoiced to customers for goods and services provided, exclusive of value added tax and net of carriage outwards.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Warehouse Fixtures	- 12.5% - 33.33% Straight Line
Land & Buildings	- 2% Straight line
Office Equipment	- 12.5% Straight Line
Motor vehicles	- 25% Straight Line
Computer equipment	- 12.5% - 33.33% Straight Line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories are determined on a first-in first-out basis. Cost comprises expenditure incurred in the normal course of business in bringing inventories to their present location and condition. Full provision is made for obsolete and slow moving items. Net realisable value comprises actual or estimated selling price (net of trade discounts) less all further costs to completion or to be incurred in marketing and selling.

Trade and other receivables

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 30 June 2017

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Trade and other payables

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Statement of Financial Position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future, or a right to pay less tax in the future. Timing differences are temporary differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured on an undiscounted basis at the tax rates that are anticipated to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Current or deferred taxation assets and liabilities are not discounted.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income Statement.

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

continued

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgments and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprises a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful lives of each type of asset and estimates of residual values. The directors regularly review these asset useful lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful economic lives can have a significant impact on depreciation and amortisation charges for the period.

(b) Provisioning for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis. Historically the company has had a low level of bad and doubtful debts.

4. GOING CONCERN

The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On that basis they consider that is appropriate to prepare the financial statements on the going concern basis.

5. REVENUE

The whole of the company's revenue is attributable to its market in the United Kingdom and is derived from the principal activity of the wholesale of chemicals products.

6. OPERATING PROFIT

	2017 £	2016 £
Operating profit is stated after charging:		
Depreciation of property, plant and equipment	94,342	107,628
Loss on foreign currencies	18,087	9,936
Auditor's remuneration - audit services	15,255	15,565

7. FINANCE COSTS

	2017 £	2016 £
On bank loans and overdrafts	10,881	6,502

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

continued

8. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

	2017 Number	2016 Number
Warehouse	4	3
Distribution and sales	6	5
Management	1	1
Director	6	6
	<u>17</u>	<u>15</u>

The staff costs (inclusive of directors' salaries) comprise:

	2017 £	2016 £
Wages and salaries	706,669	634,204
Social security costs	67,062	45,849
Pension costs	17,786	18,956
	<u>791,517</u>	<u>699,009</u>

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2017 £	2016 £
(a) Analysis of charge in the year		
Current tax:		
Corporation tax at 20.00% (2016 - 20.00%)	80,170	156,527
Under/over provision in prior year	(15,438)	(316)
Total current tax	<u>64,732</u>	<u>156,211</u>

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom 20.00% (2016 - 20.00%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>400,528</u>	<u>628,761</u>
Profit on ordinary activities before tax multiplied by the standard rate of corporation tax in the United Kingdom at 20.00% (2016 - 20.00%)	80,106	125,752
Effects of:		
Expenses not deductible for tax purposes	-	10,046
Depreciation in excess of capital allowances for period	10,200	20,729
Utilisation of tax losses	(10,136)	-
Adjustment to tax charge in respect of previous periods	(15,438)	(316)
Total tax charge for the year (Note 9 (a))	<u>64,732</u>	<u>156,211</u>

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

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10. DIVIDENDS

2017
£

2016
£

Dividends on equity shares:

Ordinary Shares Class 1 - Final paid

350,000

200,000

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
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11. PROPERTY, PLANT AND EQUIPMENT

	Warehouse Fixtures £	Land & Buildings £	Office Equipment £	Motor vehicles £	Computer equipment £	Total £
Cost or Valuation						
At 1 July 2016	741,679	2,715,963	422,634	143,366	242,806	4,266,448
Additions	142,731	-	1,439	-	-	144,170
Revaluation	-	942,000	-	-	-	942,000
At 30 June 2017	884,410	3,657,963	424,073	143,366	242,806	5,352,618
Depreciation						
At 1 July 2016	646,297	657,963	397,262	125,339	240,280	2,067,141
Charge for the year	71,268	-	3,803	18,027	1,244	94,342
At 30 June 2017	717,565	657,963	401,065	143,366	241,524	2,161,483
Carrying amount						
At 30 June 2017	166,845	3,000,000	23,008	-	1,282	3,191,135
At 30 June 2016	95,382	2,058,000	25,372	18,027	2,526	2,199,307

The company's land and buildings were valued to open market value by FHP Property Consultants in the year ended 30th June 2017 in accordance with relevant technical statements issued by the Royal Institution of Chartered Surveyors in the sum of £3,000,000. The revaluation has been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. This revaluation during the year ended 30 June 2017 resulted in a revaluation surplus of £942,000.

There were no assets held under finance leases included in the Tangible Fixed Assets above.

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

12. INVENTORIES:	2017	2016
	£	£
Finished goods and goods for resale	<u>903,185</u>	<u>686,842</u>
The replacement cost of stock did not differ significantly from the figures shown.		
13. RECEIVABLES	2017	2016
	£	£
Trade receivables	2,334,434	1,796,802
Other debtors	66,100	-
Prepayments and accrued income	<u>146,304</u>	<u>132,235</u>
	<u>2,546,838</u>	<u>1,929,037</u>
14. PAYABLES	2017	2016
Amounts falling due within one year	£	£
Bank loan	127,622	178,284
Trade payables	668,781	412,396
Amounts owed to group companies	838,034	618,610
Amounts owed to connected parties (Note 22)	(69,885)	603,951
Taxation (Note 16)	119,425	188,525
Other creditors	-	66,279
Accruals	<u>98,289</u>	<u>45,774</u>
	<u>1,782,266</u>	<u>2,113,819</u>
Security		
Bank borrowings are secured by a first charge held by National Westminster Bank PLC over the property at Interlink Way West, Bardon Industrial Estate, Bardon Hill, Leicestershire LE67 1HH. Other bank borrowings are secured by a legal charge and debenture held by Barclays Bank PLC over the assets of the company.		
15. PAYABLES	2017	2016
Amounts falling due after more than one year	£	£
Bank loan	1,350,067	5,401
Amounts owed to group companies	<u>2,144,340</u>	<u>2,144,340</u>
	<u>3,494,407</u>	<u>2,149,741</u>
Loans		
Repayable in one year or less, or on demand (Note 14)	127,622	178,284
Repayable between one and two years	119,940	5,401
Repayable between two and five years	<u>1,230,127</u>	<u>-</u>
	<u>1,477,689</u>	<u>183,685</u>
16. TAXATION	2017	2016
	£	£
Payables:		
VAT	19,390	12,279
Corporation tax	80,170	155,018
PAYE / NI	<u>19,865</u>	<u>21,228</u>
	<u>119,425</u>	<u>188,525</u>

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

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17. PROVISIONS FOR LIABILITIES AND CHARGES

The amounts provided for deferred taxation are analysed below:

	Property revaluations	Total	Total
	£	2017 £	2016 £
At 1 July 2016	-	-	-
Recognised in other comprehensive income	188,400	188,400	-
At 30 June 2017	188,400	188,400	-

18. SHARE CAPITAL

Description	Number of shares	Value of units	2017 £	2016 £
Allotted, called up and fully paid Ordinary Shares Class 1	200	£1 each	200	200

The directors' interests in the shares of the company are as follows:-

Name	Class of Shares	Number Held At	
		30/06/17	01/07/16
Maurice Healy	Ordinary Shares Class 1	100	100

19. CAPITAL COMMITMENTS

There were no capital commitments at the year ended 30 June 2017.

20. CONTINGENT LIABILITIES

There were no contingent liabilities at the year ended 30 June 2017.

21. DIRECTORS' REMUNERATION

	2017 £	2016 £
Remuneration	144,000	144,000

The directors of the company are deemed as key management.

22. RELATED PARTY TRANSACTIONS

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

The following amounts are due to other connected parties:

	2017 £	2016 £
Healy Chemicals (UK) Holdings Limited	186,793	198,060
Healy Chemicals Ireland Limited	(256,678)	405,891
	(69,885)	603,951

Healy Chemicals Limited
NOTES TO THE FINANCIAL STATEMENTS
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Healy Chemicals (UK) Holding Limited is a company controlled by a common director Maurice Healy. The company paid expenses in the sum of £11,267 on behalf of Healy Chemicals (UK) Holdings Limited during the year under review and there was a balance at the year-end of £186,793 due to Healy Chemicals (UK) Holdings Limited from Healy Chemicals Limited.

Healy Chemicals Ireland Limited is a company controlled by a common director Maurice Healy. During the year, Healy Chemicals Limited were charged management fees of £232,070 by Healy Chemicals Ireland Limited. The balance at the year-end is £256,678 payable from Healy Chemicals Ireland Limited.

23. CONTROLLING INTEREST

The company is controlled by Maurice Healy and Emsland-Starke GmbH (a German registered company) who each own 50% of the issued share capital of the company.

24. EVENTS AFTER END OF REPORTING PERIOD

There were no post balance sheet events affecting the company and requiring disclosure in the financial statements, in the period from 30th June 2017 to the date of approval of the accounts by the directors.

25. CHANGES IN EQUITY

Other Comprehensive Income	2017 £	2016 £
Revaluation reserve unrealised movement on revaluation of property	942,000	-
Taxation on unrealised revaluation gains	(188,400)	-
	<u>753,600</u>	<u>-</u>

26. CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash and bank balances	<u>773,336</u>	<u>658,399</u>