

Company Registration No. 05262589 (England & Wales)

BIP (OLDBURY) LIMITED

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2018

THURSDAY



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27/06/2019
COMPANIES HOUSE

BIP (OLDBURY) LIMITED

COMPANY INFORMATION

Directors	Mr K G Jones Mr W P Alexander
Secretary	Mr D J Kelso
Company number	05262589
Registered office	Tat Bank Road Oldbury West Midlands B69 4NH
Auditor	Edwards 34 High Street Aldridge Walsall West Midlands WS9 8LZ
Bankers	Barclays Bank plc One Snowhill Snowhill Queensway Birmingham B3 2WN
Solicitors	Womble Bond Dickinson (UK) LLP St. Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

BIP (OLDBURY) LIMITED

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BIP (OLDBURY) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Fair review of the business

The principal and continuing activities of the company are the manufacture of resins and other chemicals. The manufacture of Amino Moulding Powder and Plastic Media products have been discontinued in the financial year. The relevant disclosure for discontinued activities can be found in the statement of comprehensive income. The company's directors advise that the overall result for 2018 is in line with expectations due to the closure of the Amino Moulding Powder and Plastic Media product lines.

The company has exposure to foreign currencies due to selling and purchasing some of its products in currencies other than sterling. The directors do not consider this a material risk.

The company's credit risk is primarily attributable to its trade debtors. This risk is minimised by the number of long established customers and emphasis on good credit management.

The company's policy is to ensure continuity through effective management of its current assets and liabilities.

The results for the year's trading, the financial position of the company and the transfer to reserves are shown in the annexed financial statements.

(Loss)/profit before tax	(£1,148,290)	(2017: £553,099 profit)
(Loss)/profit after tax	(£833,821)	(2017: £472,273 profit)

Dividends of nil pence per share (2017: 23.77 pence per share) were paid in the year. The dividends absorb £Nil (2017: £213,934) leaving £833,821 deficit to be transferred from reserves (2017: surplus transferred to reserves of £258,339).

Trends likely to affect the future development of the business

The principal risk to the company arises from the uncertainty in the UK and global economies. The company's long established supplier and customer base helps to mitigate this risk.

The company and its continued profitability is subject to normal business risks of manufacturing generally and more specifically to manufacturing within the chemicals industry. Continuity of supply of raw materials is considered key to the business and contracts with suppliers are in place to ensure continued availability of these materials.

The company continues to invest in research and development of its product range and in seeking new and improved products and new marketplaces for products.

The company continues to examine and monitor its policy with regard to the environment. The policy is to ensure we understand and effectively manage the actual and potential environmental impact of our activities. Our operations are conducted such that we comply with all legal requirements relating to the environment in all areas where we carry out our business. During the period covered by this report the company has not incurred any fines or penalties or been investigated for any breach of environmental regulations.

BIP (OLDBURY) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Key performance indicators

Key performance indicators are used to measure and evaluate company performance against targets and monitor various activities throughout the company. The main key performance indicators employed in the company are:

- Turnover levels (by product and market)
- Profit/loss levels (gross and net)
- Staff costs (direct and indirect)
- Debtor days

The board monitor these on a monthly basis against budgets.

By order of the board



Mr D J Kelsq
Secretary
28 May 2019

BIP (OLDBURY) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities

The principal activity of the company continued to be that of manufacture of chemicals and chemical products.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr K G Jones

Mr S E R Alexander

(Resigned 12 January 2018)

Mr W P Alexander

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors' insurance

The company maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the company.

Research and development

The company continues to commit significant resource and time to the development of new and enhanced products that reinforce the competitive edge of the company's range of chemicals. R&D spend for 2019 will remain at similar levels to 2018.

Post reporting date events

There are no matters to report as post balance sheet events.

Auditor

In accordance with the company's articles, a resolution proposing that Edwards be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



Mr D J Kelso

Secretary

28 May 2019

BIP (OLDBURY) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing the annual 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

BIP (OLDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIP (OLDBURY) LIMITED

Opinion

We have audited the financial statements of BIP (Oldbury) Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the 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 FRS 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 31 December 2018 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 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.

BIP (OLDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BIP (OLDBURY) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 strategic report and the directors' report.

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.

Responsibilities of directors

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, 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.

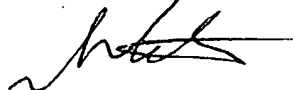
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BIP (OLDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BIP (OLDBURY) LIMITED

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 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.



David Webb FCA (Senior Statutory Auditor)
for and on behalf of Edwards

29 May 2019

**Chartered Accountants
Statutory Auditor**

34 High Street
Aldridge
Walsall
West Midlands
WS9 8LZ

BIP (OLDBURY) LIMITED

STATEMENT OF COMPREHENSIVE INCOME **FOR THE YEAR ENDED 31 DECEMBER 2018**

		Continuing operations	Discontinued operations	31 December 2018	Continuing operations	Discontinued operations	31 December 2017
	Notes	£	£	£	£	£	£
Turnover	3	20,152,938	6,056,342	26,209,280	18,813,111	10,481,151	29,294,262
Cost of sales		(17,736,062)	(6,328,395)	(24,064,457)	(16,252,535)	(10,131,044)	(26,383,579)
Gross profit		2,416,876	(272,053)	2,144,823	2,560,576	350,107	2,910,683
Administrative expenses		(1,635,491)	(457,521)	(2,093,012)	(1,529,255)	(943,913)	(2,473,168)
Other operating income		117,811	-	117,811	115,584	-	115,584
Exceptional items	4	-	(1,318,547)	(1,318,547)	-	-	-
Operating (loss)/profit	5	899,196	(2,048,121)	(1,148,925)	1,146,905	(593,806)	553,099
Interest receivable and similar income	7	635	-	635	-	-	-
(Loss)/profit before taxation		899,831	(2,048,121)	(1,148,290)	1,146,905	(593,806)	553,099
Tax on (loss)/profit	8	(246,426)	560,895	314,469	(167,601)	86,775	(80,826)
(Loss)/profit for the financial year		653,405	(1,487,226)	(833,821)	979,304	(507,031)	472,273

BIP (OLDBURY) LIMITED

STATEMENT OF FINANCIAL POSITION

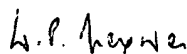
AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Goodwill	11	-		10,000	
Tangible assets	12	2,446,261		3,453,387	
		<u>2,446,261</u>		<u>3,463,387</u>	
Current assets					
Stocks	13	2,480,784		3,998,599	
Debtors	14	3,818,848		6,250,612	
Cash at bank and in hand		1,048,579		690,686	
		<u>7,348,211</u>		<u>10,939,897</u>	
Creditors: amounts falling due within one year	15	(2,445,469)		(6,170,960)	
Net current assets		<u>4,902,742</u>		<u>4,768,937</u>	
Total assets less current liabilities		<u>7,349,003</u>		<u>8,232,324</u>	
Provisions for liabilities	16	(154,500)		(204,000)	
Net assets		<u>7,194,503</u>		<u>8,028,324</u>	
Capital and reserves					
Called up share capital	19	900,001		900,001	
Profit and loss reserves		6,294,502		7,128,323	
Total equity		<u>7,194,503</u>		<u>8,028,324</u>	

The financial statements were approved by the board of directors and authorised for issue on 28 May 2019 and are signed on its behalf by:



Mr K G Jones
Director



Mr W P Alexander
Director

Company Registration No. 05262589

BIP (OLDBURY) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		900,001	6,869,984	7,769,985
Year ended 31 December 2017:				
Profit for the year		-	472,273	472,273
Dividends	10	-	(213,934)	(213,934)
Balance at 31 December 2017		900,001	7,128,323	8,028,324
Year ended 31 December 2018:				
Loss for the year		-	(833,821)	(833,821)
Balance at 31 December 2018		900,001	6,294,502	7,194,503

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

BIP (Oldbury) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Tat Bank Road, Oldbury, West Midlands, B69 4NH.

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.

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. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

BIP (Oldbury) Limited is a wholly owned subsidiary of Tennants Consolidated Limited and the results of BIP (Oldbury) Limited are included in the consolidated financial statements of Tennants Consolidated Limited which are available from Companies House.

1.2 Going concern

The directors have at the time of approving the financial statements, an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover derives principally from the manufacture of and trading in chemicals and allied products. Turnover represents the fair value of consideration received or receivable for goods supplied to customers, after deducting rebates and value added taxes. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the customer, the revenue and costs incurred in respect of the transaction can be measured reliably and collectability is assured.

1.4 Intangible fixed assets - goodwill

Intangible assets comprise goodwill. Goodwill is capitalised on the balance sheet and amortised on a straight line basis over its economic life up to a maximum of 10 years. Goodwill is reviewed for impairment at the end of the first financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 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:

Land and buildings leasehold	Over the term of the lease
Plant and machinery	10% - 20% straight line
Computer and office equipment	33% straight line

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.

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing the stocks to their present location and condition and, in the case of work-in-progress and finished goods, an appropriate addition for production overheads. Cost of stock is calculated using the first in, first out method.

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.

1.8 Financial instruments

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the statement of comprehensive income.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to profit and loss reserves.

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the income statement. Outstanding derivatives at the reporting date are included under the appropriate format heading depending on the nature of the derivative.

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

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.

1.11 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions are charged to the income statement as they become payable in accordance with the rules of the scheme.

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

1.12 Leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the term of the lease.

1.13 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 income statement for the period.

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.14 Repairs and renewals

All expenditure on repairs and renewals is written off in the year in which it is incurred.

1.15 Research and development

Research and development expenditure is written off in the year in which it is incurred.

1.16 Discontinued activities

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from the rest of the Company and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018	2017
	£	£
Turnover analysed by geographical market		
Home	4,581,806	5,138,388
Export	21,627,474	24,155,874
	<u>26,209,280</u>	<u>29,294,262</u>

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

3 Turnover and other revenue (Continued)

	2018	2017
	£	£
Other significant revenue		
Interest income	635	-
Rent	117,811	115,584

4 Exceptional costs

	2018	2017
	£	£
Exceptional costs	1,318,547	-

Exceptional items in the year relate to the disposal and closure costs in relation to discontinued activities as detailed in note 9.

5 Operating (loss)/profit

	2018	2017
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	3,117	(48,935)
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	20,000
Depreciation of owned tangible fixed assets	539,893	556,192
Loss on disposal of tangible fixed assets	9,964	-
Hire of plant and machinery	98,185	120,664
Cost of stocks recognised as an expense	16,388,834	17,428,287
Operating lease charges	61,824	65,078

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018	2017
	Number	Number
Management and administration	21	27
Distribution and sales	4	3
Production	62	81
	87	111

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

6 Employees

(Continued)

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,533,709	3,602,113
Social security costs	248,784	334,023
Pension costs	116,122	147,091
	<u>2,898,615</u>	<u>4,083,227</u>

7 Interest receivable and similar income

	2018 £	2017 £
Interest income		
Other interest income	635	-
	<u>635</u>	<u>-</u>

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	(217,028)	104,378
Adjustments in respect of prior periods	(47,941)	(31,052)
Total current tax	<u>(264,969)</u>	<u>73,326</u>
Deferred tax		
Origination and reversal of timing differences	(57,000)	7,500
Adjustment in respect of prior periods	7,500	-
Total deferred tax	<u>(49,500)</u>	<u>7,500</u>
Total tax (credit)/charge	<u>(314,469)</u>	<u>80,826</u>

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	<u>(1,148,290)</u>	<u>553,099</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	(218,175)	106,472
Tax effect of expenses that are not deductible in determining taxable profit	23,325	278
Other permanent differences	(63,362)	(4,797)
Over provided in prior years	(40,441)	(31,052)
Deferred tax	(57,000)	7,500
Depreciation in excess of capital allowances	41,184	2,425
Taxation for the year	<u>(314,469)</u>	<u>80,826</u>

Factors that may affect future tax charges:

The Finance Act 2016, which was passed on 15 September 2016, provided that the main UK corporation tax rate was reduced to 19% from 1 April 2017 and will be reduced to 17% from 1 April 2020.

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

9 Discontinued operations

On 22 June 2018, the company sold the assets of its Amino Moulding Powder business and on the 30 August 2018 sold the trade and assets of its Plastic Blast Media business. The disposals were effected to streamline the business and focus on the remaining activities of the company. The closures have been completed and all the associated costs have been captured within the 2018 results.

The impact of the discontinued operations and its associated exceptional costs are disclosed within the statement of comprehensive income.

10 Dividends

	2018 £	2017 £
Final paid	-	213,934

11 Intangible fixed assets

Goodwill £

Cost

At 1 January 2018

10,000

Disposals

(10,000)

At 31 December 2018

-

Amortisation and impairment

At 1 January 2018 and 31 December 2018

-

Carrying amount

At 31 December 2018

-

At 31 December 2017

10,000

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

12 Tangible fixed assets

	Land and buildings leasehold £	Plant and machinery £	Computer and office equipment £	Total £
Cost				
At 1 January 2018	16,031	8,289,593	187,288	8,492,912
Additions	-	175,481	10,667	186,148
Disposals	(16,031)	(2,933,342)	(15,272)	(2,964,645)
At 31 December 2018	-	5,531,732	182,683	5,714,415
Depreciation and impairment				
At 1 January 2018	16,031	4,865,026	158,468	5,039,525
Depreciation charged in the year	-	522,813	17,080	539,893
Eliminated in respect of disposals	(16,031)	(2,287,734)	(7,499)	(2,311,264)
At 31 December 2018	-	3,100,105	168,049	3,268,154
Carrying amount				
At 31 December 2018	-	2,431,627	14,634	2,446,261
At 31 December 2017	-	3,424,567	28,820	3,453,387

13 Stocks

	2018 £	2017 £
Raw materials and consumables	1,016,020	1,411,300
Work in progress	-	546,129
Finished goods and goods for resale	1,464,764	2,041,170
	<u>2,480,784</u>	<u>3,998,599</u>

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	3,181,370	5,587,070
Corporation tax recoverable	229,251	40,673
Amount due from group undertakings	121,829	226,166
Other debtors	178,773	167,654
Prepayments and accrued income	107,625	229,049
	<u>3,818,848</u>	<u>6,250,612</u>

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,905,086	4,240,299
Amounts owed to group undertakings	381,968	1,495,024
Other taxation and social security	44,305	100,168
Other creditors	127	6,791
Accruals and deferred income	113,983	328,678
	<u>2,445,469</u>	<u>6,170,960</u>

16 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	17	<u>154,500</u>	<u>204,000</u>

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	158,500	204,000
Other	(4,000)	-
	<u>154,500</u>	<u>204,000</u>
Movements in the year:		2018 £
Liability at 1 January 2018		204,000
Credit to profit or loss		(49,500)
Liability at 31 December 2018		<u>154,500</u>

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

18 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	116,122	147,091

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

There were outstanding contributions of £Nil (2017: £Nil) payable to the fund at the year end.

19 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
900,001 Ordinary shares of £1 each	900,001	900,001
	<u>900,001</u>	<u>900,001</u>

20 Operating lease commitments

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

	2018 £	2017 £
Within one year	36,269	53,841
Between two and five years	29,508	91,595
	<u>65,777</u>	<u>145,436</u>

21 Financial commitments, guarantees and contingent liabilities

The company is party to a cross-guarantee, securing overdraft facilities for certain members of the Synthite Limited group, of which £Nil was utilised at 31 December 2018 (2017: £Nil).

22 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2018 £	2017 £
Acquisition of tangible fixed assets	145,376	74,301

BIP (OLDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

23 Controlling party

The immediate parent undertaking is Synthite Limited a company registered in England and Wales, number 164640.

The ultimate parent undertaking and controlling party is Tennants Consolidated Limited, a company registered in England and Wales, number 250915. The accounts of this company can be obtained from Companies House.