

Company Registration No. 08708484 (England and Wales)

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

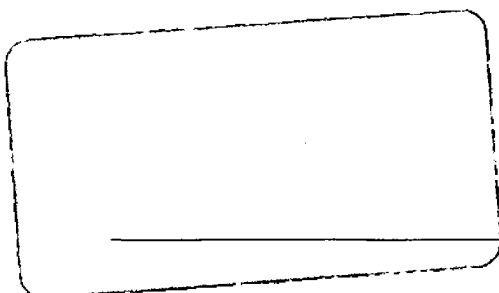
PAGES FOR FILING WITH REGISTRAR



DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

COMPANY INFORMATION

Directors	Mr D R Arthur Mr M P Elliott
Company number	08708484
Registered office	Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS
Accountants	Baldwins (Cheltenham) Limited Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS



DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 6

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

BALANCE SHEET

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Stocks		40,118		49,016	
Debtors	3	244,660		269,733	
Cash at bank and in hand		1,077		14,026	
		<u>285,855</u>		<u>332,775</u>	
Creditors: amounts falling due within one year	4	<u>(359,587)</u>		<u>(471,859)</u>	
Net current liabilities			(73,732)		(139,084)
Creditors: amounts falling due after more than one year	5		(4,459)		(31,213)
Net liabilities			<u>(78,191)</u>		<u>(170,297)</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			(78,291)		(170,397)
Total equity			<u>(78,191)</u>		<u>(170,297)</u>

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

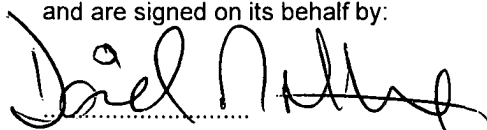
For the financial year ended 30 June 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

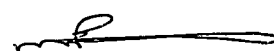
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 by the board of directors and authorised for issue on 26/03/2019 and are signed on its behalf by:


Mr D R Arthur
Director


Mr M P Elliott
Director

Company Registration No. 08708484

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

Company information

Delapena Grinding & Industrial Abrasives Limited is a private company limited by shares incorporated in England and Wales. The registered office is Pillar House, 113/115 Bath Road, Cheltenham, Gloucestershire, GL53 7LS.

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.

Going concern

The company is now reporting profits as it has now established its trade and business model. Progress is still continuing to be made in terms of branding and market penetration.

Ongoing financial support by group companies has provided the working capital for the company to achieve this progress and to continue establishing its market position. The directors consider that this support will be maintained for the foreseeable future and for this reason, the going concern basis has been adopted in preparing the financial statements.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Finance charges receivable under hire purchase agreements are recognised over the primary period of the agreement.

1.3 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.

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.

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.4 Cash at bank and in hand

Cash at bank and in hand 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.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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. Financial assets classified as receivable within one year are not amortised.

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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.6 Equity instruments

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

1.7 Taxation

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

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 profit and loss account, 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.

1.8 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.9 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.

1.10 Retirement benefits

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

1.11 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.

1.12 Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

1 Accounting policies

(Continued)

1.13 Hire purchase commitments

Where the company acts as a lessor under hire purchase agreements, amounts recoverable relating to hire purchase contracts represent outstanding amounts due under these agreements less finance charges allocated to future periods.

Finance charges receivable under hire purchase agreements are presented within turnover.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2017 - 4).

3 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	153,171	114,677
Other debtors	76,605	123,956
	<u>229,776</u>	<u>238,633</u>
Deferred tax asset	14,884	31,100
	<u>244,660</u>	<u>269,733</u>

Included within amounts recoverable under hire purchase contracts are balances due in greater than one year of £11,660 (2017: £70,394).

Included within other debtors are balances due in greater than one year of £872 (2017: £6,101).

4 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	100,026	90,824
Trade creditors	55,597	170,154
Amounts due to group undertakings	20,684	-
Other taxation and social security	11,689	2,584
Other creditors	171,591	208,297
	<u>359,587</u>	<u>471,859</u>

Included within bank loans and overdrafts is an amount of £100,026 (2017: £90,824) which represents monies received in advance settlement of debts under an invoice discounting agreement.

The bank holds a fixed and floating charge over the assets of Delapena Grinding and Industrial Abrasives Limited.

DELAPENA GRINDING & INDUSTRIAL ABRASIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

5 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	4,459	31,213
	<u> </u>	<u> </u>

6 Deferred taxation

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

	Assets 2018	Assets 2017
Balances:	£	£
Tax losses	14,884	31,100
	<u> </u>	<u> </u>
Movements in the year:		2018 £
Liability/(Asset) at 1 July 2017		(31,100)
Charge to profit or loss		16,216
		<u> </u>
Liability/(Asset) at 30 June 2018		(14,884)
		<u> </u>

Based on the forecast profitability of the company, it is expected that certain timing differences available to the company to carry forward will be utilised in the near future to reduce current taxation. Accordingly a deferred tax asset has been recognised.

The deferred tax asset, assuming a tax rate of 17% (2017: 17%), can be analysed as above.

7 Financial commitments, guarantees and contingent liabilities

As at 30th June 2018 the company had total guarantees, contingencies and commitments of £10,000 (2017: £10,000).