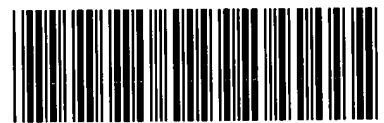


COMPANY REGISTRATION NUMBER: 01940708

SOLSEAL LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2020

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COMPANIES HOUSE

SOLSEAL LIMITED

BALANCE SHEET

31 December 2020

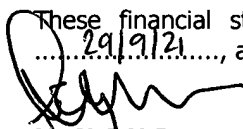
	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	6	63,271	76,046
CURRENT ASSETS			
Stocks		355,909	238,958
Debtors	7	353,999	472,502
Cash at bank and in hand		1,332,039	859,243
		<u>2,041,947</u>	<u>1,570,703</u>
CREDITORS: amounts falling due within one year	8	(1,491,973)	(1,054,372)
NET CURRENT ASSETS		<u>549,974</u>	<u>516,331</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>613,245</u>	<u>592,377</u>
CREDITORS: amounts falling due after more than one year	9	(326,190)	(359,341)
PROVISIONS		<u>(11,837)</u>	<u>(14,224)</u>
NET ASSETS		<u>275,218</u>	<u>218,812</u>
CAPITAL AND RESERVES			
Called up share capital		100	100
Profit and loss account		<u>275,118</u>	<u>218,712</u>
SHAREHOLDERS FUNDS		<u>275,218</u>	<u>218,812</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 29/9/21, and are signed on behalf of the board by:


Mr N A H Jones
Director

Company registration number: 01940708

The notes on pages 2 to 6 form part of these financial statements.

SOLSEAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2020

1. GENERAL INFORMATION

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 16A Norman Way, Severn Bridge Industrial Estate, Portskewett, Caldicot, NP26 5PT.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

The turnover shown in the profit and loss account is derived from ordinary activities and represents the value of work done in the financial period, exclusive of Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

SOLSEAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Goodwill *(continued)*

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 33% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	- over the term of the lease
Machinery and equipment	- 20% straight line
Office equipment	- 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

SOLSEAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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

4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 6 (2019: 5).

5. INTANGIBLE ASSETS

	Goodwill
	£
Cost	
At 1 January 2020 and 31 December 2020	745,406
Amortisation	
At 1 January 2020 and 31 December 2020	745,406
Carrying amount	
At 31 December 2020	—
At 31 December 2019	—

SOLSEAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2020

6. TANGIBLE ASSETS

	Long leasehold property £	Machinery and equipment £	Office equipment £	Total £
Cost				
At 1 January 2020	73,728	18,632	47,062	139,422
Additions	2,761	1,251	4,800	8,812
Disposals	(3,288)	(5,483)	–	(8,771)
At 31 December 2020	<u>73,201</u>	<u>14,400</u>	<u>51,862</u>	<u>139,463</u>
Depreciation				
At 1 January 2020	51,042	10,299	2,035	63,376
Charge for the year	8,075	3,940	9,572	21,587
Disposals	(3,287)	(5,484)	–	(8,771)
At 31 December 2020	<u>55,830</u>	<u>8,755</u>	<u>11,607</u>	<u>76,192</u>
Carrying amount				
At 31 December 2020	<u>17,371</u>	<u>5,645</u>	<u>40,255</u>	<u>63,271</u>
At 31 December 2019	<u>22,686</u>	<u>8,333</u>	<u>45,027</u>	<u>76,046</u>

7. DEBTORS

	2020 £	2019 £
Trade debtors	337,923	332,412
Amounts owed by group undertakings and undertakings in which the company has a participating interest	(20,907)	96,223
Other debtors	36,983	43,867
	<u>353,999</u>	<u>472,502</u>

The debtors above include the following amounts falling due after more than one year:

	2020 £	2019 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>49,528</u>	<u>96,223</u>

8. CREDITORS: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	128,415	89,360
Trade creditors	1,242,632	889,476
Corporation tax	38,104	43,237
Social security and other taxes	19,935	3,852
Other creditors	62,887	28,447
	<u>1,491,973</u>	<u>1,054,372</u>

SOLSEAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2020

8. CREDITORS: amounts falling due within one year *(continued)*

Included within the above are secured creditors amounting to £128,415 (2019 - £89,360). These balances are secured over the assets of the company.

9. CREDITORS: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	<u>326,190</u>	<u>359,341</u>

Included within the above are secured creditors amounting to £326,190 (2019 - £359,341). These balances are secured over the assets of the company.

10. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	17,600	8,130
Later than 1 year and not later than 5 years	70,400	—
Later than 5 years	64,533	—
	<u>152,533</u>	<u>8,130</u>

11. SUMMARY AUDIT OPINION

The auditor's report for the year dated 29 September 2021 was qualified on the following basis:

We did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 December 2020, which are included in the balance sheet at £355,908, by using other audit procedures. Consequently we were unable to determine whether any adjustment to this amount was necessary.

The senior statutory auditor was Simon Tee, for and on behalf of Kilsby & Williams LLP.

12. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by Section 33 of Financial Reporting Standard 102 from the requirement to disclose transactions between wholly owned members of the same group.

13. CONTROLLING PARTY

In the opinion of the directors the ultimate parent company is S & D Sealants Limited, a company registered in England and Wales.

The company was under the control of Mr N A H Jones throughout the current and previous period by virtue of his interest in the ultimate parent company, S & D Sealants Limited.