

**Romold Limited**

Financial Statements

Year Ended

31 October 2016



Company Number SC230880

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# Romold Limited

## Company Information

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<b>Directors</b>	Bruce Wishart Robert McIvor (appointed 20 October 2016) James Alexander McLeary (appointed 20 October 2016)
<b>Registered number</b>	SC230880
<b>Registered office</b>	4 Maxwell Square Brucefield Industrial Estate Livingston EH54 9BL
<b>Independent auditor</b>	BDO LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD
<b>Bankers</b>	National Westminster Bank plc Edinburgh EH2 2SB
<b>Solicitors</b>	McLure Naismith 49 Queen Street Edinburgh EH2 3NH

# Romold Limited

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# Romold Limited

## Directors' report For the Year Ended 31 October 2016

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The directors present their report and the financial statements for the year ended 31 October 2016.

### Principal activity

The company's principal activity during the year was the manufacture of plastic components.

### Results and dividends

The profit for the year, after taxation, amounted to £431,983 (2015 -£192,727).

The directors have not recommended a dividend in the period (2015 - £Nil).

### Directors

The directors who served during the year were:

Bruce Wishart  
Robert McIvor (appointed 20 October 2016)  
James Alexander McLeary (appointed 20 October 2016)

### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small company

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 24 AUGUST 2017 and signed on its behalf.



Robert McIvor  
Director

# **Romold Limited**

## **Directors' responsibilities statement**

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The directors are responsible for preparing the 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). 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 judgments and accounting estimates that are reasonable and prudent; and
- 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, to disclose with reasonable accuracy at any time the financial position of the company and to 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.

**Romold Limited**  
Registered number: SC230880

**Balance sheet**  
**As at 31 October 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	3	195,043	134,520
		<u>195,043</u>	<u>134,520</u>
<b>Current assets</b>			
Stocks	4	494,347	561,887
Debtors: amounts falling due within one year	5	2,154,847	1,915,282
Cash at bank and in hand	6	272,995	79,301
		<u>2,922,189</u>	<u>2,556,470</u>
Creditors: amounts falling due within one year	7	(396,990)	(406,297)
		<u>2,525,199</u>	<u>2,150,173</u>
<b>Net current assets</b>		<u>2,525,199</u>	<u>2,150,173</u>
<b>Total assets less current liabilities</b>		<u>2,720,242</u>	<u>2,284,693</u>
<b>Provisions for liabilities</b>			
Deferred taxation	8	(17,865)	(14,295)
		<u>(17,865)</u>	<u>(14,295)</u>
<b>Net assets excluding pension asset</b>		<u>2,702,377</u>	<u>2,270,398</u>
<b>Net assets</b>		<u><u>2,702,377</u></u>	<u><u>2,270,398</u></u>

**Romold Limited**  
Registered number: SC230880

**Balance sheet (continued)**  
**As at 31 October 2016**

	Note	2016 £	2015 £
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		2,702,277	2,270,298
		<u>2,702,377</u>	<u>2,270,398</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The company has not delivered a statement of comprehensive income to Companies House.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

24 AUGUST 2017



**Robert McIvor**

Director

The notes on pages 5 to 14 form part of these financial statements.

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

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### 1. General information

Romold Limited is a company, limited by shares, incorporated in Scotland. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activity are set out in the director's report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

#### 2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.



# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

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### 2. Accounting policies (continued)

#### 2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	- 10% straight line
Plant & machinery	- 15% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

#### 2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

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### 2. Accounting policies (continued)

#### 2.7 Financial instruments (continued)

market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

#### 2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.9 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

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### 2. Accounting policies (continued)

#### 2.10 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### 2.11 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

#### 2.12 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

#### 2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

### 2. Accounting policies (continued)

#### 2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

The average monthly number of employees, including the directors, during the year was as follows:

	2016 £	2015 £
Directors	3	1
Plant staff	30	25
	<u>33</u>	<u>26</u>

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

### 3. Tangible fixed assets

	Leasehold property improvements £	Plant & machinery £	Total £
<b>Cost or valuation</b>			
At 1 November 2015	87,485	151,805	239,290
Additions	54,324	30,057	84,381
At 31 October 2016	<u>141,809</u>	<u>181,862</u>	<u>323,671</u>
<b>Depreciation</b>			
At 1 November 2015	34,552	70,219	104,771
Charge for the year on owned assets	10,266	13,591	23,857
At 31 October 2016	<u>44,818</u>	<u>83,810</u>	<u>128,628</u>
<b>Net book value</b>			
At 31 October 2016	<u>96,991</u>	<u>98,052</u>	<u>195,043</u>
At 31 October 2015	<u>52,933</u>	<u>81,586</u>	<u>134,519</u>

### 4. Stocks

	2016 £	2015 £
Finished goods and goods for resale	494,347	561,887
	<u>494,347</u>	<u>561,887</u>

Stock recognised in cost of sales during the year as an expense was £1,687,839 (2015 -£1,560,716).

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

### 5. Debtors

	2016 £	2015 £
Trade debtors	371,824	369,152
Amounts owed by group undertakings	1,661,989	1,544,372
Other debtors	112,107	-
Prepayments and accrued income	8,927	1,758
	<u>2,154,847</u>	<u>1,915,282</u>

### 6. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	272,995	79,301
	<u>272,995</u>	<u>79,301</u>

### 7. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	231,918	246,715
Amounts owed to group undertakings	7,063	-
Corporation tax	58,322	-
Other taxation and social security	21,350	21,174
Other creditors	211	135
Accruals and deferred income	78,126	138,273
	<u>396,990</u>	<u>406,297</u>

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

### 8. Deferred taxation

	2016 £
At beginning of year	(14,295)
Charged to profit or loss	(3,570)
<b>At end of year</b>	<b>(17,865)</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(17,865)	(14,295)
	<u>(17,865)</u>	<u>(14,295)</u>

### 9. Pension commitments

The pension charge represents contributions payable by the company to the scheme and amount to £55,914 (2015 - £15,197).

# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

### 10. Related party transactions

The company has taken advantage of the exemption contained within Section 33 of FRS 102 not to disclose transactions with wholly owned subsidiaries within the group.

During the year, the company paid rent to a related company owned by a director which totalled £160,000 (2015 - £160,000). The balance outstanding at the end of the year was £nil (2015 - £nil).

During the year, the company made sales as follows:

Ecospill Ltd (fellow subsidiary) £499,411  
Empteezy BVBA (fellow subsidiary) £73,162  
SAS Delahaye Industries (fellow subsidiary) £653,392  
Schoeller Industries GmbH (fellow subsidiary) £46,874

During the year the company recharged the following expenses:

Ecospill Limited £89  
Empteezy BVBA £7,040

During the year, the entity made purchases as follows:

Wishco Limited (common Director) £187,491  
YourLink Limited (member of common group) £423

Balances due to/from related parties at the year end were as follows:

Ecospill Ltd - £229,096 due from (2015 - £166,149 due from)  
Empteezy BVBA - £482,692 due from (2015 - £321,426 due from)  
SAS Delahaye Industries - £204,805 due from (2015 - £109,611 due from)  
Schoeller Industries GmbH - £19,945 due from (2015 - £Nil)  
Wishco Limited - £Nil (2015 - £48,000 due to)  
YourLink Limited £Nil (2015 - £Nil)

### 11. Operating lease commitments

At 31 October 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year -	172,140	160,000
Later than 1 year and not later than 5 years	9,450	-
	<u>181,590</u>	<u>160,000</u>



# Romold Limited

## Notes to the financial statements For the Year Ended 31 October 2016

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### 12. Contingent liabilities

The company, together with its parent company, have granted a bond and floating charge on all the assets and liabilities of this company and provided cross guarantees to secure banking facilities granted to the group. The contingent liability at the balance sheet date amounted to £375,472 (2015 - £282,695).

### 13. Controlling party

Romold Limited is a wholly owned subsidiary of Empteezy Limited. The ultimate parent company is Empteezy Limited which is controlled by Bruce Wishart.

### 14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

### 15. Auditor's information

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's members at 31 August 2017. The auditor's report was signed by Martin Gill as senior statutory auditor and was unqualified.