



## **NOTICE OF ILLEGIBLE PAGES**

**Companies House regrets that documents in this company's record have pages which are illegible.**

**The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.**

**Companies House would like to apologise for any inconvenience this may cause**

226822/  
108

SIKA LIMITED

*Accounts*

31ST DECEMBER 1975



WICKHAM HUNT & CO.  
CHARTERED ACCOUNTANTS  
Pearl Assurance House,  
Brand Street, Hitchin, Herts.  
Telephone: Hitchin 3138

SIKA LIMITED

SUMMARY OF CONTENTS FOR YEAR ENDED

31ST DECEMBER 1975

<u>Page 1</u>	REPORT OF THE DIRECTORS
<u>Page 2</u>	REPORT OF THE AUDITORS
<u>Page 3</u>	PROFIT AND LOSS ACCOUNT
<u>Page 4</u>	BALANCE SHEET
<u>Page 5</u>	NOTES ON THE ACCOUNTS (Notes 1-3)
<u>Page 6</u>	NOTES ON THE ACCOUNTS (Notes 4-5)
<u>Page 7</u>	NOTES ON THE ACCOUNTS (Notes 6-9)
<u>Page 8</u>	NOTES ON THE ACCOUNTS (Notes 10-11)
<u>Page 9</u>	NOTES ON THE ACCOUNTS (Notes 12-13)
<u>Page 10</u>	STATEMENT OF SOURCES AND APPLICATION OF FUNDS

*I certify this to be a true copy of the Accounts of Sika Ltd  
for the year ended 31st December 1975*

SIKA LIMITED

  
SECRETARY

SIKA LIMITED

REPORT OF THE DIRECTORS

The Directors present the audited accounts of the company for the year ended 31st December 1975.

SUBSIDIARY COMPANIES

The only subsidiary left in the group, Akis Chemical Company Limited was struck off with effect from the 19th June 1974. However, a request has been made to the Registrar of Companies for the company to be reinstated. This is necessary due to an administrative error in not having re-registered the New Zealand branch in the name of Sika Limited before the dissolution of Akis Chemical Company Limited.

ACTIVITIES

The principal activity of the company is the manufacture and sale of chemical additives to cement and waterproofing materials. This activity accounts for 100% of the turnover during the year.

RESULTS FOR THE YEAR

The results for the year are set out in the Profit and Loss Account on page 3. The increase in the year's turnover and net profits is due principally to increased sales to companies involved in the manufacture of oil and gas drilling platforms in the North Sea.

EXPORTS

The sales value of exports by the group from the United Kingdom during the year amounted to £29872 (1974 £40642).

DIRECTORS

The members of your board who served during the year were as follows:-

Dr. H. Goetz	(Swiss)
Mr. I. L. Christensen	(Danish)
Mr. B. Baggergaard	(Danish)

FREEHOLD LAND AND BUILDINGS - NEW ZEALAND

Based on the 1974 New Zealand government valuation, the directors are of the opinion that Freehold Land and Buildings shown in the accounts at a net book value of £7107 have a market value of approximately £34769.

AUDITORS

The Auditors, Messrs. Wickham, Hunt & Co., have intimated their willingness to act in the forthcoming year.

By Order of the Board

  
SECRETARY

SIKA LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

In our opinion, based on our examination and the report of the New Zealand branch not audited by us and subject to the note below, the accounts set out on pages 3 and 4 read together with the notes thereon give a true and fair view of the state of affairs at 31st December 1975 and of the profit for the year ended on that date and comply with the provisions of the Companies Acts 1948 and 1967.

**Note**

The Australian office of the auditors of the New Zealand branch wrote up the books of account for the Australian branch. They specifically stated in their report that they had not audited the branch accounts and could not give an opinion on those accounts.

*William Hunt & Co.*  
WICKHAM, HUNT & CO.  
Chartered Accountants

HITCHIN  
6th April, 1976

SIRA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR  
ENDED 31ST DECEMBER 1975

	<u>1975</u>	<u>1974</u>
Turnover (Note 1)	<u>791242</u>	<u>489479</u>
Profit Before Taxation (Note 2)	117896	34437
Taxation (Note 3)	<u>69706</u>	<u>17688</u>
Profit After Taxation	<u>£ 48190</u>	<u>£ 16749</u>

SIKA LIMITED

BALANCE SHEET - 31ST DECEMBER 1975

	<u>1975</u> <u>£</u>	<u>1974</u> <u>£</u>
<u>EMPLOYMENT OF CAPITAL</u>		
<u>FIXED ASSETS</u> (Note 6)	37085	29714
<u>DEFERRED TAXATION</u> (Note 3)	(13900)	( 6700)
<u>CURRENT ASSETS</u>		
Stocks (Note 7)	119479	112020
Debtors	135213	89645
Bank Deposit	94962	36012
Bank Balances and Cash	4251	7663
	<u>353904</u>	<u>245340</u>
<u>CURRENT LIABILITIES</u>		
Creditors	80116	40124
Bank Overdrafts	6163	722
Current Taxation	55879	6716
Amounts owing to Group Companies	57769	91820
	<u>199927</u>	<u>139582</u>
<u>EXCESS OF CURRENT ASSETS OVER</u> <u>CURRENT LIABILITIES</u>	<u>153977</u>	<u>105958</u>
<u>NET ASSETS</u>	<u>£ 177162</u>	<u>£ 128972</u>
<u>CAPITAL EMPLOYED</u>		
<u>SHARE CAPITAL</u> (Note 8)	80000	80000
<u>ACCUMULATED PROFIT</u> (Note 9)	97162	48972
	<u>£ 177162</u>	<u>£ 128972</u>

H. GOETZ

Directors

B. BÄPPERSMÄRZ

SIRA LIMITEDNOTES ON ACCOUNTS - 31ST DECEMBER 19751. TURNOVER

Turnover represents sales of goods at invoiced value.

2. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	<u>1975</u> <u>£</u>	<u>1974</u> <u>£</u>
(a) Depreciation (Note 4)	7939	7153
(b) Directors Emoluments (Note 5)	18272	14820
(c) Auditors Remuneration	3199	3220
(d) Hire of Plant and Equipment	5567	4361
	<u>£ 34977</u>	<u>£ 29554</u>

and after crediting:

Interest on Bank Deposits	2200	2205
Interest on Overdue Customer Debts	152	-
	<u>£ 2352</u>	<u>£ 2205</u>

3. TAXATION

The charge for taxation made in the accounts is as follows:

	<u>1975</u> <u>£</u>	<u>1974</u> <u>£</u>
United Kingdom Taxation - Corporation Tax based on Profits for Year	63956	-
Double Taxation relief	8012	-
	<u>55944</u>	-
Under provision on 1974 Profits	267	56211
Overseas Taxation - Provision on 1975 New Zealand Profits	6804	421
Over provision in previous years	509	6295
	<u>7200</u>	<u>10567</u>
Deferred Taxation - Charge for Year	<u>£ 69706</u>	<u>£ 17638</u>

The Company has now utilised all of its agreed trading losses accumulated in previous years and as a result there is a substantial Corporation Tax liability arising on the current year's profits.

The question of the Company's residency has now been settled with the appropriate taxation authorities and as a result the profits of the New Zealand branch for past years were correctly aggregated with those of the United Kingdom.



SILKA LIMITEDNOTES ON ACCOUNTS - 31ST DECEMBER 1975 - CONTINUED

As in previous years the total cost of certain fixed asset additions have been claimed in full against the current profits. The future liability that will arise because of these accelerated depreciation allowances has been dealt with under the heading Deferred Taxation. This account was initially set up in 1974 and is maintained under the 'Liability Method' of computation, transfers to and from the account being effected at the particular rate of Corporation Tax prevailing at the time.

The Company has now firmly committed itself to the construction of new premises at the Watchmead site in Welwyn Garden City. The taxation implications of this capital expenditure are such that with the incidence of Industrial Buildings Allowance and Writing Down Allowances on plant, it is conceivable that the current years taxation liability may be substantially reduced by invoking the 'carry back' provisions of the United Kingdom Taxes Acts. However, the exact amount of the relief cannot as yet be quantified.

4. DEPRECIATION

It is the policy in the United Kingdom to write the cost of all fixed assets off by the straight line method over their estimated effective working life. For most items this is between three to five years but all immovable plant and equipment has been completely written off since it was anticipated that the company would change premises by the end of 1974. However, the intended move will now be made by the end of 1976. Motor Vehicles are depreciated by the straight line method over four years.

The Branches fixed assets are, in general, being depreciated on the reducing balance system at rates of 10% and 20% per annum. Land is not being depreciated and the cost of freehold buildings is being written off at 4% per annum over 25 years.

5. DIRECTORS EMOLUMENTS

Particulars of emoluments of directors of Silka Limited are as follows:

	<u>1975</u>	<u>1974</u>
Emoluments of Chairman and highest paid director	£ 18272	£ 14820

SIKA LIMITEDNOTES ON ACCOUNTS - 31ST DECEMBER 1975 - CONTINUED6. FIXED ASSETS

	<u>Freehold Land and Buildings</u>	<u>Leasehold Buildings (under 50 Years)</u>	<u>Plant and Machinery and Motor Vehicles</u>	<u>TOTAL</u>
<u>COST</u>				
Cost or Valuation at 1st January 1975	15097	6814	49841	71752
Disposals	-	-	(3193)	(3193)
Additions at Cost	-	-	16602	16602
Cost or Valuation 31st December 1975	<u>15097</u>	<u>6814</u>	<u>63250</u>	<u>85161</u>
<u>DEPRECIATION</u>				
Balance at 1st January 1975	7312	6814	27912	42038
Disposals	-	-	(1902)	(1902)
Profit and Loss Account	678	-	7262	7940
Depreciation at 31st December, 1975	<u>7990</u>	<u>6814</u>	<u>33272</u>	<u>48076</u>
<u>NET BOOK VALUE</u>				
Balance at 31st December 1975	7107	-	29978	37085

7. STOCK AND WORK IN PROGRESS

Stock and work in progress have been valued at the lower of cost or net realisable value. Cost in the case of products manufactured consists of direct materials and labour costs together with appropriate overheads where applicable.

8. SHARE CAPITAL OF SIKA LIMITED

The authorised and issued share capital of the company is as follows:

Authorised Capital - £100,000 in Ordinary Shares of £1 each  
(1974 £100,000)

Issued Capital - £80,000 in Ordinary Shares of £1 each  
fully paid (1974 £80,000)

9. RESERVES

	<u>Capital Reserves</u> £	<u>Retained Profits</u> £	<u>TOTAL</u> £
Balance at 1st January 1975	49677	(705)	48972
Profit for Year	<u>49677</u>	<u>48190</u>	<u>97162</u>

SIKA LIMITEDNOTES ON ACCOUNTS - 31ST DECEMBER 1975 - CONTINUED10. ULTIMATE HOLDING COMPANY

The ultimate holding company of the group is Sika Finance A.G. a company incorporated in Switzerland.

11. CAPITAL COMMITMENTS

The Company is firmly committed to the construction of new premises in 1976. A new factory will be erected at the Watchmead Site in Welwyn Garden City at an approximate cost of £250,000 summarized below. Detailed plans have been prepared and the necessary planning permission obtained, together with the required authority from the parent company in Switzerland. It is envisaged that building will commence during May 1976.

Summary of Estimated Costs	<u>£</u>
Cost of Land and Buildings	150,000
Cost of Plant and Fixtures	65,000
Surveyor's and Professional Fees	12,000
Estimated Provision for inflation and incidental costs	23,000
	<u>250,000</u>

It is possible that the new building will have to be equipped with a suitable fire sprinkler system. If this has to be incorporated within the whole of the factory, the additional cost could be in the region of £15,000.

The above expenditure will attract taxation allowances which could be utilized to reduce the profit of 1976 and/or the profit of 1975 as explained in Note 3.

In addition to the above the following expenditure was authorised and contracted for at the 31st December,

<u>1975</u>	<u>1974</u>
5868	1400

SIKA LIMITEDNOTES ON ACCOUNTS - 31ST DECEMBER 1975 - CONTINUED12. ASSETS AND LIABILITIES OF THE NEW ZEALAND BRANCH

The Current Assets and Liabilities of the New Zealand Branch have been converted at N.Z.\$ 1.94 to £1, which was the middle rate at the 31st December 1975. The Profit and Loss Account and Fixed Asset additions were converted at a calculated average rate for the year which was N.Z.\$ 1.83 to £1.

In accordance with normal accounting practice Fixed Assets have been converted at the rates of exchange prevailing in the year of purchase. However, the current depreciation charge has been converted at the average rate for the year since detailed cost and depreciation schedules for each asset, showing the year of acquisition, were not forwarded to the United Kingdom.

13. AUSTRALIAN BRANCH

The Current Assets and Liabilities of the Australian Branch have been converted at A.\$ 1.61 to £1, which was the middle rate at the 31st December 1975. The Profit and Loss Account and Fixed Asset additions were converted at a calculated average rate for the year which was A.\$ 1.69 to £1.

SIRA LIMITEDSTATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31ST DECEMBER 1975

	<u>1975</u>	<u>1974</u>
<u>SOURCE OF FUNDS</u>		
Profit before Taxation		
United Kingdom	111995	12122
New Zealand	15091	23982
Australia	(11542)	( 2872)
	<u>115544</u>	<u>32232</u>
Adjustments for items not involving the movement of Funds		
Depreciation (including conversion rate adjustment)	7625	6478
TOTAL GENERATED FROM OPERATIONS	123159	38710
<u>FUNDS FROM OTHER SOURCES</u>		
Sale of Fixed Assets	1605	2814
Untaxed Interest Received	<u>2552</u>	<u>2205</u>
	3957	3019
	<u>127126</u>	<u>45729</u>
<u>APPLICATION OF FUNDS</u>		
Tax paid : United Kingdom	421	-
New Zealand	<u>12921</u>	<u>15662</u>
	13342	15662
Purchases and Fixed Assets	<u>16602</u>	<u>13034</u>
	(29944)	(28674)
	<u>£ 97122</u>	<u>£ 15033</u>
<u>INCREASE/DECREASE IN WORKING CAPITAL</u>		
Increase in Stocks	7459	59328
Increase in Debtors	45567	3752
Increase (Decrease) in creditors - excluding taxation	(39992)	17615
Decrease (Increase) in amounts owing to Group Companies	34051	(40226)
Movement in net liquid funds		
Current Account Balances	( 8855)	(20101)
Deposit Account Balances	<u>50950</u>	<u>14055</u>
	50097	( 5446)
	<u>£ 97122</u>	<u>£ 15033</u>

SIKA LIMITED

*Accounts*

31ST DECEMBER 1975

WICKHAM HUNT & CO.

CHARTERED ACCOUNTANTS

Pearl Assurance House,  
Brand Street, Hitchin, Herts.  
Telephone: Hitchin 3138