REGISTERED NUMBER:SC202652

H & I CHEMICALS LIMITED

UNAUDITED

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 28 FEBRUARY 2017

PM+M Solutions for Business LLP
Chartered Accountants
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H & I CHEMICALS LIMITED
REGISTERED NUMBER:SC202652

BALANCE SHEET
AS AT 28 FEBRUARY 2017

	Note		2017 £		2016 £
Fixed assets					
Intangible assets	4		139		222
Tangible assets	5		49,246		33,093
Investments	6		600		-
			49,985		33,315
Current assets					
Stocks	7	540,027		421,050	
Debtors: amounts falling due within one year	8	938,369		692,190	
Cash at bank and in hand	9	207,732		195,383	
		1,686,128		1,308,623	
Creditors: amounts falling due within one year	10	(825,993)		(521,298)	
Net current assets			860,135		787,325
Total assets less current liabilities			910,120		820,640
Provisions for liabilities					
Deferred tax	11	(4,735)		(3,264)	
			(4,735)		(3,264)
Net assets			905,385		817,376
Capital and reserves					
Called up share capital			200		200
Capital redemption reserve			10,000		10,000
Profit and loss account			895,185		807,176
			905,385		817,376

H & I CHEMICALS LIMITED
REGISTERED NUMBER:SC202652

BALANCE SHEET (CONTINUED)
AS AT 28 FEBRUARY 2017

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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.

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 financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2017.

Ian Williamson

I S Williamson
Director
The notes on pages 3 to 9 form part of these financial statements.

H & I CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

1. General information

H & I Chemicals Limited (company number SC202652) is a private company limited by shares, registered in Scotland. Its registered office is 12 Middleton Crescent, Bridge of Don, Aberdeen, Aberdeenshire, AB22 8HY, Scotland.

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 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.3 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.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2. Accounting policies (continued)

2.5 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Property improvements	-	20% Reducing Balance
Plant & machinery	-	20% Straight Line
Office equipment	-	20% Reducing Balance
Computer equipment	-	20% 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 income and retained earnings.

2.6 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 first in, first out 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.

2.7 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. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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.

2.11 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases: the Company as lessee

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

2.14 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 income and retained earnings 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. Accounting policies (continued)

2.15 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.16 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 income and retained earnings 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.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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.

3. Employees

The average monthly number of employees, including directors, during the year was 11 *(2016 - 9)*.

H & I CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

4. Intangible assets

	Goodwill £
Cost	
At 29 February 2016	250
At 28 February 2017	250
Amortisation	
At 29 February 2016	28
Charge for the year	83
At 28 February 2017	111
Net book value	
At 28 February 2017	139
At 28 February 2016	*222*

5. Tangible fixed assets

	Property improvements £	Other fixed assets £	Total £
Cost or valuation			
At 29 February 2016	25,513	32,416	57,929
Additions	15,227	14,872	30,099
At 28 February 2017	40,740	47,288	88,028
Depreciation			
At 29 February 2016	13,153	11,683	24,836
Charge for the year on owned assets	6,838	7,108	13,946
At 28 February 2017	19,991	18,791	38,782
Net book value			
At 28 February 2017	20,749	28,497	49,246
At 28 February 2016	*12,360*	*20,733*	*33,093*

6. Fixed asset investments

	Investments in associates £
Cost or valuation	
Additions	600
At 28 February 2017	600
Net book value	
At 28 February 2017	600
At 28 February 2016	*-*

7. Stocks

	2017 £	*2016 £*
Raw materials and finished goods for resale	540,027	*421,050*
	540,027	*421,050*

8. Debtors

	2017 £	*2016 £*
Trade debtors	921,782	*684,470*
Other debtors	10,051	*1,099*
Prepayments and accrued income	6,536	*6,621*
	938,369	*692,190*

9. Cash and cash equivalents

	2017 £	*2016 £*
Cash at bank and in hand	207,732	*195,383*
	207,732	*195,383*

H & I CHEMICALS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017**

10. Creditors: Amounts falling due within one year

	2017 £	*2016* *£*
Trade creditors	**730,314**	*406,200*
Corporation tax	**29,489**	*45,929*
Other taxation and social security	**23,052**	*27,792*
Other creditors	**31,286**	*31,286*
Accruals and deferred income	**11,852**	*10,091*
	825,993	*521,298*

11. Deferred taxation

	2017 £
At beginning of year	**(3,264)**
Charged to profit or loss	**(1,471)**
At end of year	**(4,735)**

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	**(4,735)**
	(4,735)

12. Pension commitments

The company operates defined contributions pension arrangements. The assets of the arrangements are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the arrangements and amounted to £24,000 *(2016 - £30,000)*. There were no contributions *(2016 - £NIL)* payable to the fund at the balance sheet date.

13. 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.