

Company Registration No. 03042269 (England and Wales)

GARWARE POLYESTER INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

GARWARE POLYESTER INTERNATIONAL LIMITED

COMPANY INFORMATION

Director	Ms S Garware
Secretary	Mr S Thakrar
Company number	03042269
Registered office	Unit 2.17 The Plaza 535 Kings Road London SW10 0SZ
Auditor	KPSR LLP Ground Floor 4 Churchill Court 58 Station Road North Harrow Middlesex HA2 7SA

GARWARE POLYESTER INTERNATIONAL LIMITED

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GARWARE POLYESTER INTERNATIONAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents the strategic report for the year ended 31 March 2018.

Fair review of the business

The results and financial position at the year end were considered to be satisfactory by the director. The director expects the company to continue trading on a growth and stable basis in the foreseeable future.

The key financial performance indicators used by the Board to monitor the financial performance of the company and its results for the year ended 31 March 2018 are as follows:

- Turnover has fallen by 6.1% from £4,791k to £4,498k for the year.
- Gross profit has fallen by 1.2% from £1,094k to £1,081k for the year.
- Profit before tax for the company has increased by 26.9% from £245k to £311k for the year.

Although turnover has fallen the increased profit before tax is a result of reduced selling and distribution and administrative expenses.

Principal risks and uncertainties

The main financial risks arising from the company's activities are economic risk, currency risk and operating risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect of currency risk, is to closely monitor exchange rate fluctuations between Sterling, Euro and US dollar. This may impact on the operating profit attained by the company.

The company's policy in respect of economic and operating risk, is to adhere to set objectives laid by management and the director in an efficient manner and exercise tight control on costs.

Development and performance

The company has an enhanced position in the activities it undertakes and as a result looks forward to reporting positive results in the near future.

The company strives to deliver a high standard of products given the environment it operates in. Based upon its historical performance the director is confident that the company will maintain its success as continued orders have already been placed for the next accounting period. They are assured their continued performance will underpin stability and growth of the company in the foreseeable future.

There are no matters that give rise to a post balance sheet event.

GARWARE POLYESTER INTERNATIONAL LIMITED

STRATEGIC REPORT (CONTINUED)

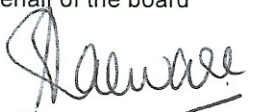
FOR THE YEAR ENDED 31 MARCH 2018

Key performance indicators

The company is stringently controlled by the director in terms of its performance and security of its generation of business. The director is solely responsible for the performance of the company and its direction.

The company uses a number of non-financial performance indicators to monitor and drive the business including measures within the areas of technological advancement. Examples are customer satisfaction statistics and orders delivered to clients on time.

On behalf of the board



Ms S Garware
Director
21 May 2018

GARWARE POLYESTER INTERNATIONAL LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents her annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company was that of distribution of industrial polyester film and related products.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Ms S Garware

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

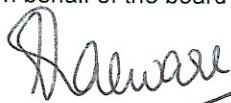
Auditor

The Auditors, KPSR LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the annual general meeting.

Statement of disclosure to auditor

The director in office at the date of approval of this annual report confirms that so far as she is aware, there is no relevant audit information of which the company's auditors are unaware, and that she has taken all the necessary steps that she ought to have taken as a director in order to make herself aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Ms S Garware
Director

21 May 2018

GARWARE POLYESTER INTERNATIONAL LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

The director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless she is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable her to ensure that the financial statements comply with the Companies Act 2006. She is 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.

GARWARE POLYESTER INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GARWARE POLYESTER INTERNATIONAL LIMITED

We have audited the financial statements of Garware Polyester International Limited for the year ended 31 March 2018 which comprise Else set out on pages 7 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an #aw10 report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

As explained more fully in the Director's Responsibilities Statement set out page 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Director's Report.

GARWARE POLYESTER INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GARWARE POLYESTER INTERNATIONAL LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kailesh Patel (Senior Statutory Auditor)
for and on behalf of KPSR LLP

21 May 2018

Chartered Accountants
Statutory Auditor

Ground Floor
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7SA

GARWARE POLYESTER INTERNATIONAL LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover	3	4,497,841	4,790,972
Cost of sales		(3,416,543)	(3,697,185)
Gross profit		<u>1,081,298</u>	<u>1,093,787</u>
Distribution costs		(134,322)	(192,050)
Administrative expenses		(815,553)	(848,722)
Operating profit	4	<u>131,423</u>	<u>53,015</u>
Interest receivable and similar income	8	179,095	192,236
Profit before taxation		<u>310,518</u>	<u>245,251</u>
Taxation	9	(37,237)	(22,437)
Profit for the financial year	20	<u><u>273,281</u></u>	<u><u>222,814</u></u>

The income statement has been prepared on the basis that all operations are continuing operations.

GARWARE POLYESTER INTERNATIONAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Profit for the year	273,281	222,814
Other comprehensive income	-	-
Total comprehensive income for the year	<u>273,281</u>	<u>222,814</u>

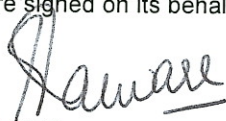
GARWARE POLYESTER INTERNATIONAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	11		77,607		98,026
Investments	12		62,046		62,046
			<u>139,653</u>		<u>160,072</u>
Current assets					
Debtors	15	597,551		800,739	
Cash at bank and in hand		932,989		580,768	
		<u>1,530,540</u>		<u>1,381,507</u>	
Creditors: amounts falling due within one year	16	(510,660)		(663,163)	
Net current assets			1,019,880		718,344
Total assets less current liabilities			<u>1,159,533</u>		<u>878,416</u>
Provisions for liabilities	17		(7,836)		-
Net assets			<u>1,151,697</u>		<u>878,416</u>
Capital and reserves					
Called up share capital	19		250,000		250,000
Profit and loss reserves	20		901,697		628,416
Total equity			<u>1,151,697</u>		<u>878,416</u>

The financial statements were approved by the board of directors and authorised for issue on 21 May 2018 and are signed on its behalf by:



Ms S Garware
Director

Company Registration No. 03042269

GARWARE POLYESTER INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2016		250,000	405,602	655,602
Year ended 31 March 2017:				
Profit and total comprehensive income for the year		-	222,814	222,814
Balance at 31 March 2017		250,000	628,416	878,416
Year ended 31 March 2018:				
Profit and total comprehensive income for the year		-	273,281	273,281
Balance at 31 March 2018		250,000	901,697	1,151,697

GARWARE POLYESTER INTERNATIONAL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	£	2018 £	£	2017 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		177,689		(27,619)
Investing activities					
Purchase of tangible fixed assets		(4,563)		(145,501)	
Interest received		2,015		159	
Dividends received		177,080		192,077	
Net cash generated from investing activities			174,532		46,735
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			352,221		19,116
Cash and cash equivalents at beginning of year			580,768		561,652
Cash and cash equivalents at end of year			932,989		580,768

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Garware Polyester International Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Unit 2.17 The Plaza, 535 Kings Road, London, SW10 0SZ.

1.1 Accounting convention

These individual 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.

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 pound sterling.

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.

1.2 Going concern

The director has at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus she is continuing to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered stated net of discounts and of Value Added Tax. When the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes in effect a financing transaction, the fair value of the consideration is measured as the present value of all future receipts determined using an imputed rate of interest, normally the rate that discounts the nominal amount of consideration to the cash sales price.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the company's activities described below.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, 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.

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.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings short leasehold	Straight line over the life of the lease
Fixtures, fittings and equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents 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.

1.8 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 assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables 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.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income statement.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 trade and other payables, bank loans from fellow group companies and preference shares that are classified as debt, are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in income statement in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

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.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

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

Current tax

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

1.11 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies (Continued)

1.14 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 income statement for the period.

1.15 The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirements to do so by section 401 of the companies Act 2006 as the results of the company and its subsidiary are included in the accounts of the Indian parent company, Garware Polyester Limited.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018	2017
	£	£
Turnover		
Sale of goods	4,086,418	4,363,668
Commission	411,423	427,304
	<u>4,497,841</u>	<u>4,790,972</u>

Other significant revenue

Interest income	2,015	159
Dividends received	177,080	192,077
	<u>179,095</u>	<u>192,236</u>

Turnover analysed by geographical market

	2018	2017
	£	£
UK sales	740,752	791,632
Foreign sales	3,757,089	3,999,340
	<u>4,497,841</u>	<u>4,790,972</u>

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

4 Operating profit

	2018	2017
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	61,491	(26,943)
Fees payable to the company's auditor for the audit of the company's financial statements	10,000	8,000
Depreciation of owned tangible fixed assets	24,982	13,603
Impairment of owned tangible fixed assets	-	72,514
Operating lease charges	36,370	29,376
	<u>67,843</u>	<u>97,430</u>

5 Auditor's remuneration

	2018	2017
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the company's financial statements	10,000	8,000
	<u>10,000</u>	<u>8,000</u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018	2017
	Number	Number
Administration and management	3	3
Selling and distribution	2	2
	<u>5</u>	<u>5</u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	609,312	569,462
Social security costs	69,541	71,614
	<u>678,853</u>	<u>641,076</u>

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7	Director's remuneration		
		2018	2017
		£	£
	Remuneration for qualifying services	319,472	315,677
		<u> </u>	<u> </u>
	Remuneration disclosed above include the following amounts paid to the highest paid director:		
	Remuneration for qualifying services	319,472	315,677
		<u> </u>	<u> </u>
8	Interest receivable and similar income		
		2018	2017
		£	£
	Interest income		
	Interest on bank deposits	2,015	159
	Income from fixed asset investments		
	Income from shares in group undertakings	177,080	192,077
		<u> </u>	<u> </u>
	Total income	179,095	192,236
		<u> </u>	<u> </u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	2,015	159
		<u> </u>	<u> </u>
9	Taxation		
		2018	2017
		£	£
	Current tax		
	UK corporation tax on profits for the current period	29,401	22,437
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	7,836	-
		<u> </u>	<u> </u>
	Total tax charge	37,237	22,437
		<u> </u>	<u> </u>

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	310,518	245,251
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	58,998	49,050
Tax effect of expenses that are not deductible in determining taxable profit	6,432	21,239
Tax effect of income not taxable in determining taxable profit	(33,645)	(38,415)
Capital allowances	(2,384)	(3,102)
Tax loss carried forward	-	(6,335)
Deferred taxation	7,836	-
Taxation for the year	37,237	22,437

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2018 £	2017 £
In respect of:		
Short leasehold property	-	72,514
Recognised in:		
Administrative expenses	-	72,514

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

11 Tangible fixed assets

	Land and buildings short leasehold	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 April 2017	81,614	173,522	255,136
Additions	-	4,563	4,563
At 31 March 2018	81,614	178,085	259,699
Depreciation and impairment			
At 1 April 2017	81,614	75,496	157,110
Depreciation charged in the year	-	24,982	24,982
At 31 March 2018	81,614	100,478	182,092
Carrying amount			
At 31 March 2018	-	77,607	77,607
At 31 March 2017	-	98,026	98,026

12 Fixed asset investments

	Notes	2018 £	2017 £
Investments in subsidiaries	13	62,046	62,046

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2017 & 31 March 2018	62,046
Carrying amount	
At 31 March 2018	62,046
At 31 March 2017	62,046

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2018 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Global Pet Films Inc. USA	Sale of polyester film	Common stock	100.00	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Global Pet Films Inc.	247,746	296,596

14 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	585,410	786,479
Carrying amount of financial liabilities		
Measured at amortised cost	430,573	607,492

15 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	480,003	660,461
Amounts due from subsidiary undertakings	100,000	120,611
Other debtors	6,334	5,407
Prepayments and accrued income	11,214	14,260
	<u>597,551</u>	<u>800,739</u>

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

16 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	51,362	7,956
Amounts due to group undertakings	364,052	571,776
Corporation tax	51,838	22,437
Other taxation and social security	28,249	33,234
Other creditors	47	13,978
Accruals and deferred income	15,112	13,782
	<u>510,660</u>	<u>663,163</u>

17 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	18	7,836	-
		<u>7,836</u>	<u>-</u>

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances:	Liabilities 2018 £	Liabilities 2017 £
ACAs	7,836	-
	<u>7,836</u>	<u>-</u>

There were no deferred tax movements in the year.

The deferred tax liability set out above relates to accelerated capital allowances.

19 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
250000 Ordinary shares of £1 each	250,000	250,000
	<u>250,000</u>	<u>250,000</u>

20 Profit and loss reserves

Retained earnings as at the Balance Sheet date is fully distributable.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

21 Operating lease commitments

Lessee

The company entered into a 3 year operating lease for use of its current office space which is due to expire in January 2020.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	25,000	25,000
Between two and five years	18,750	43,750
	<u>43,750</u>	<u>68,750</u>

22 Related party transactions and relationships

The following debit/(credit) balances existed at the end of the year

Name	Relationship	2018 £	2017 £
Garware Polyester Limited	Parent company	(364,052)	(571,776)
Global Pet Films Inc.	Wholly owned subsidiary	100,000	120,611
		<u></u>	<u></u>

23 Controlling party

The Company is controlled by Garware Polyester Limited, a listed company incorporated in India and listed on the Indian Stock Exchange. The director regard Garware Polyester Limited as the immediate and ultimate parent company. The registered office for Garware Polyester Limited is Naigaon, Post Waluj, Aurangabad, Maharashtra, India-431 133.

Copies of the financial statements of the parent company are available from Investor Relations at www.garwarepoly.com.

GARWARE POLYESTER INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

24 Cash generated from operations	2018 £	2017 £
Profit for the year after tax	273,281	222,814
Adjustments for:		
Taxation charged	37,237	22,437
Investment income	(179,095)	(192,236)
Depreciation and impairment of tangible fixed assets	24,982	86,117
Movements in working capital:		
Decrease/(increase) in debtors	203,188	(367,434)
(Decrease)/increase in creditors	(181,904)	200,683
Cash generated from/(absorbed by) operations	<u>177,689</u>	<u>(27,619)</u>

GARWARE POLYESTER INTERNATIONAL LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

GARWARE POLYESTER INTERNATIONAL LIMITED

TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2018

	2018		2017	
	£	£	£	£
Sales and commission		4,497,841		4,790,972
Cost of sales				
Purchases	3,355,052		3,724,128	
Profit or loss on foreign exchange	61,491		(26,943)	
		<u>(3,416,543)</u>		<u>(3,697,185)</u>
Gross profit		1,081,298		1,093,787
Selling and distribution costs	134,322		192,050	
Administrative expenses	815,553		848,722	
		<u>(949,875)</u>		<u>(1,040,772)</u>
Operating profit		131,423		53,015
Investment revenues				
Bank interest	2,015		159	
Dividends receivable from group companies	177,080		192,077	
		<u>179,095</u>		<u>192,236</u>
Profit before taxation		<u>310,518</u>		<u>245,251</u>

GARWARE POLYESTER INTERNATIONAL LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Selling and distribution costs		
Hotel, travel and subsistence	71,639	162,456
Advertising and promotions	15,400	4,597
Entertaining	8,871	20,079
Commissions payable	38,412	4,918
	<u>134,322</u>	<u>192,050</u>
Administrative expenses		
Wages and salaries	289,840	253,785
Employer's N.I. contributions	69,541	71,614
Staff recruitment costs	5,350	5,536
Staff welfare	1,163	175
Directors' remuneration	319,472	315,677
Rent, rates and service charge	36,370	29,376
Light and heat	1,029	2,111
Repairs and maintenance	-	10,436
Premises insurance	3,521	2,753
Computer expenses	634	1,254
Subscriptions	9,233	4,241
Legal and professional fees	12,557	20,435
Accountancy	11,813	10,563
Audit fees	10,000	8,000
Bank charges	2,979	3,667
Printing, postage and stationery	1,149	1,623
Telephone	12,026	19,119
Sundry expenses	3,894	2,240
Depreciation	24,982	13,603
Impairment losses	-	72,514
	<u>815,553</u>	<u>848,722</u>