

REGISTERED NUMBER: 02495588 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014
FOR
TERRAPLAS PLC**

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FOR THE YEAR ENDED 30 SEPTEMBER 2014**

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TERRAPLAS PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

DIRECTORS:	R A Else L J Wildbore Else A E Fodczuk P W Debleme
SECRETARY:	A Boddy
REGISTERED OFFICE:	St.Helens House King Street Derby DE1 3EE
REGISTERED NUMBER:	02495588 (England and Wales)
SENIOR STATUTORY AUDITOR:	Paul Duffin
AUDITORS:	Smith Cooper Limited Chartered Accountants Statutory Auditors St.Helens House King Street Derby DE1 3EE
BANKERS:	National Westminster Bank 1 Chesterfield Road Alfreton Derbyshire DE55 7ZR

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

The directors present their report with the financial statements of the company for the year ended 30 September 2014.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements. The Chairman added "The year 2013/14 was not a particularly good one, resulting in a net trading loss. The new year 2014/15 is looking much more active and our sales and prospects are in a much healthier position. This coupled with the new product 'Terraroad' - for which we have a number of sizable orders, coming on-stream in July/August, will see a huge increase in sales and profitability. Additionally we have streamlined our expenses to make more effective use of our resources."

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2013 to the date of this report.

R A Else
L J Wildbore Else
A E Fodczuk
P W Debleme

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- 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 and disclose with reasonable accuracy at any time the financial position of the company and 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Smith Cooper Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

TERRAPLAS PLC (REGISTERED NUMBER: 02495588)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R A Else - Director

27 March 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TERRAPLAS PLC

We have audited the financial statements of Terraplas Plc for the year ended 30 September 2014 on pages six to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are 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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 September 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TERRAPLAS PLC**

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Paul Duffin (Senior Statutory Auditor)
for and on behalf of Smith Cooper Limited
Chartered Accountants
Statutory Auditors
St. Helens House
King Street
Derby
DE1 3EE

27 March 2015

TERRAPLAS PLC (REGISTERED NUMBER: 02495588)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Notes	2014 £	2013 £
TURNOVER	2	1,810,705	4,243,458
Cost of sales		<u>867,265</u>	<u>2,874,941</u>
GROSS PROFIT		943,440	1,368,517
Administrative expenses		<u>1,060,985</u> (117,545)	<u>1,525,411</u> (156,894)
Other operating income		<u>-</u>	<u>6,863</u>
OPERATING LOSS	3	(117,545)	(150,031)
Interest receivable and similar income		<u>-</u> (117,545)	<u>2,028</u> (148,003)
Interest payable and similar charges		<u>26,013</u>	<u>30,493</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(143,558)	(178,496)
Tax on loss on ordinary activities	4	<u>(9,410)</u>	<u>(73,934)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(134,148)</u>	<u>(104,562)</u>

The notes form part of these financial statements

TERRAPLAS PLC (REGISTERED NUMBER: 02495588)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	2014 £	2013 £
LOSS FOR THE FINANCIAL YEAR	(134,148)	(104,562)
Investment revaluation surplus		
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(134,148)</u>	<u>(104,562)</u>

The notes form part of these financial statements

TERRAPLAS PLC (REGISTERED NUMBER: 02495588)

**BALANCE SHEET
30 SEPTEMBER 2014**

	Notes	2014 £	£	2013 £	£
FIXED ASSETS					
Tangible assets	5		469,638		563,419
Investments	6		<u>500,002</u>		<u>500,002</u>
			969,640		1,063,421
CURRENT ASSETS					
Stocks	7	779,207		715,759	
Debtors	8	<u>1,820,111</u>		<u>2,997,788</u>	
		2,599,318		3,713,547	
CREDITORS					
Amounts falling due within one year	9	<u>1,471,767</u>		<u>2,582,448</u>	
NET CURRENT ASSETS			<u>1,127,551</u>		<u>1,131,099</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,097,191		2,194,520
CREDITORS					
Amounts falling due after more than one year	10		(301,405)		(255,176)
PROVISIONS FOR LIABILITIES					
	12		<u>(33,873)</u>		<u>(43,283)</u>
NET ASSETS			<u>1,761,913</u>		<u>1,896,061</u>
CAPITAL AND RESERVES					
Called up share capital	13		100,000		100,000
Revaluation reserve	14		681,059		681,059
Capital redemption reserve	14		25,000		25,000
Profit and loss account	14		<u>955,854</u>		<u>1,090,002</u>
SHAREHOLDERS' FUNDS			<u>1,761,913</u>		<u>1,896,061</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 27 March 2015 and were signed on its behalf by:

R A Else - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Preparation of consolidated financial statements

The financial statements contain information about Terraplas Plc as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 20% on cost
Plant and machinery	- 33% on cost and 10% on cost
Fixtures and fittings	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

2. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

The percentage of turnover that related to exports was 84.6%.

3. OPERATING LOSS

The operating loss is stated after charging/(crediting):

	2014	2013
	£	£
Depreciation - owned assets	82,478	116,864
Depreciation - assets on hire purchase contracts or finance leases	-	17,590
Loss on disposal of fixed assets	11,303	71,162
Auditors' remuneration	14,559	13,271
Foreign exchange differences	(448)	2,458
Pension costs	<u>2,219</u>	<u>1,979</u>
Directors' remuneration and other benefits etc	<u>308,292</u>	<u>380,623</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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4. TAXATION**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	-	(28,647)
(Over)/under provision in prior year	<u>-</u>	<u>(11,238)</u>
Total current tax	-	(39,885)
Deferred tax	<u>(9,410)</u>	<u>(34,049)</u>
Tax on loss on ordinary activities	<u>(9,410)</u>	<u>(73,934)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 October 2013	177,553	1,191,327	5,144	1,374,024
Disposals	-	(55,703)	-	(55,703)
At 30 September 2014	<u>177,553</u>	<u>1,135,624</u>	<u>5,144</u>	<u>1,318,321</u>
DEPRECIATION				
At 1 October 2013	177,553	628,468	4,584	810,605
Charge for year	-	82,104	374	82,478
Eliminated on disposal	-	(44,400)	-	(44,400)
At 30 September 2014	<u>177,553</u>	<u>666,172</u>	<u>4,958</u>	<u>848,683</u>
NET BOOK VALUE				
At 30 September 2014	<u>-</u>	<u>469,452</u>	<u>186</u>	<u>469,638</u>
At 30 September 2013	<u>-</u>	<u>562,859</u>	<u>560</u>	<u>563,419</u>

Cost or valuation at 30 September 2014 is represented by:

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2002	-	266,750	-	266,750
Cost	<u>177,553</u>	<u>868,874</u>	<u>5,144</u>	<u>1,051,571</u>
	<u>177,553</u>	<u>1,135,624</u>	<u>5,144</u>	<u>1,318,321</u>

If Plant and machinery had not been revalued it would have been included at the following historical cost:

	2014 £	2013 £
Cost	<u>302,095</u>	<u>302,095</u>
Aggregate depreciation	<u>302,095</u>	<u>302,095</u>

The company's tooling was valued on an open market basis on 30 September 2002 by professional valuers

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Interest in associate £	Interest in other participating interests £	Totals £
COST OR VALUATION				
At 1 October 2013 and 30 September 2014	<u>180</u>	<u>500,000</u>	<u>20,000</u>	<u>520,180</u>
PROVISIONS				
At 1 October 2013 and 30 September 2014	<u>178</u>	<u>-</u>	<u>20,000</u>	<u>20,178</u>
NET BOOK VALUE				
At 30 September 2014	<u>2</u>	<u>500,000</u>	<u>-</u>	<u>500,002</u>
At 30 September 2013	<u>2</u>	<u>500,000</u>	<u>-</u>	<u>500,002</u>

Cost or valuation at 30 September 2014 is represented by:

	Shares in group undertakings £	Interest in associate £	Interest in other participating interests £	Totals £
Valuation in 2008	-	478,220	-	478,220
Cost	<u>180</u>	<u>21,780</u>	<u>20,000</u>	<u>41,960</u>
	<u>180</u>	<u>500,000</u>	<u>20,000</u>	<u>520,180</u>

If investment in Terraplas USA had not been revalued it would have been included at the following historical cost:

	2014 £	2013 £
Cost	<u>21,780</u>	<u>21,780</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Panstadia Publishing Company Ltd

Nature of business: magazine publishing

	% holding	30/4/14 £	30/4/13 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		(325,279)	(322,090)
Loss for the year		<u>(3,189)</u>	<u>(127,422)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

6. **FIXED ASSET INVESTMENTS - continued**

Terraplas SA

Country of incorporation: South Africa

Nature of business: Sale of turf and ice protection

Class of shares:	%
Ordinary	holding 100.00

7. **STOCKS**

	2014	2013
	£	£
Tile stock	<u>779,207</u>	<u>715,759</u>

8. **DEBTORS**

	2014	2013
	£	£
Amounts falling due within one year:		
Trade debtors	1,343,716	2,377,980
Amounts owed by group undertakings	245,428	276,103
Other debtors	<u>140,551</u>	<u>253,289</u>
	<u>1,729,695</u>	<u>2,907,372</u>

Amounts falling due after more than one year:

Other debtors	<u>90,416</u>	<u>90,416</u>
Aggregate amounts	<u>1,820,111</u>	<u>2,997,788</u>

Included within other debtors are amounts owed by directors amounting to £23,515.

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Bank loans and overdrafts	158,555	255,715
Trade creditors	279,052	630,383
Taxation and social security	29,287	33,104
Other creditors	<u>1,004,873</u>	<u>1,663,246</u>
	<u>1,471,767</u>	<u>2,582,448</u>

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2014	2013
	£	£
Bank loans	<u>301,405</u>	<u>255,176</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014

11. SECURED DEBTS

The following secured debts are included within creditors:

	2014 £	2013 £
Bank loans	<u>341,038</u>	<u>351,368</u>

12. PROVISIONS FOR LIABILITIES

	2014 £	2013 £
Deferred tax	22,625	32,035
Inter company loan provision	<u>11,248</u>	<u>11,248</u>
	<u>33,873</u>	<u>43,283</u>

	Deferred tax £
Balance at 1 October 2013	32,035
Credit to Profit and Loss Account during year	<u>(9,410)</u>
Balance at 30 September 2014	<u>22,625</u>

The provision relates to deferred taxation in respect of excess capital allowances over depreciation. It is calculated at the corporation tax rate of 20%.

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2014 £	2013 £
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

14. RESERVES

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 October 2013	1,090,002	681,059	25,000	1,796,061
Deficit for the year	<u>(134,148)</u>			<u>(134,148)</u>
At 30 September 2014	<u>955,854</u>	<u>681,059</u>	<u>25,000</u>	<u>1,661,913</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

15. RELATED PARTY DISCLOSURES

During the year the company:-

i) Provided financial assistance to the companies detailed below. The balance in favour of Terraplas PLC at 30 September 2014 was as follows:

	2014 £	2013 £
Panstadia Publishing Company Ltd	245,428	276,103
Terraplas South Africa	81,200	81,200

ii) Purchased services from the following companies:

	2014 £	2013 £
Robert Else Marketing Services	161,136	173,105
Balance outstanding at 30 September	12,272	-
PanStadia Publishing Company Ltd	-	(29,375)
Balance outstanding at 30 September	-	-
Terraplas USA	-	70,834
Balance outstanding at 30 September	-	26,287

iii) Sold/recharged goods/services to the following companies:

	2014 £	2013 £
Robert Else Marketing Services	5,055	11,446
Balance due at 30 September	3,180	-
Terraplas S A	-	-
Balance due at 30 September	10,839	10,839
Terraplas USA	933,882	547,263
Balance due at 30 September	79,378	45,182
Robert Else	-	-
Balance due at 30 September	-	-

Nature of relationships:-

- a) Panstadia Publishing Company Ltd is a wholly owned subsidiary of Terraplas PLC.
- b) Mr R A Else, a director of Terraplas PLC, is the proprietor of Robert Else Marketing Services.
- c) Terraplas SA is a wholly owned subsidiary of Terraplas PLC.
- d) Terraplas PLC own 50% of Terraplas USA.

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is R A Else, who along with family interests owns 51.9% of the ordinary issued share capital.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.