

ÅRSREDOVISNING

för

Beardow Adams AB

Org.nr. 556490-8209

Styrelsen får härmed avlämna årsredovisning för räkenskapsåret 2022-01-01 - 2022-12-31

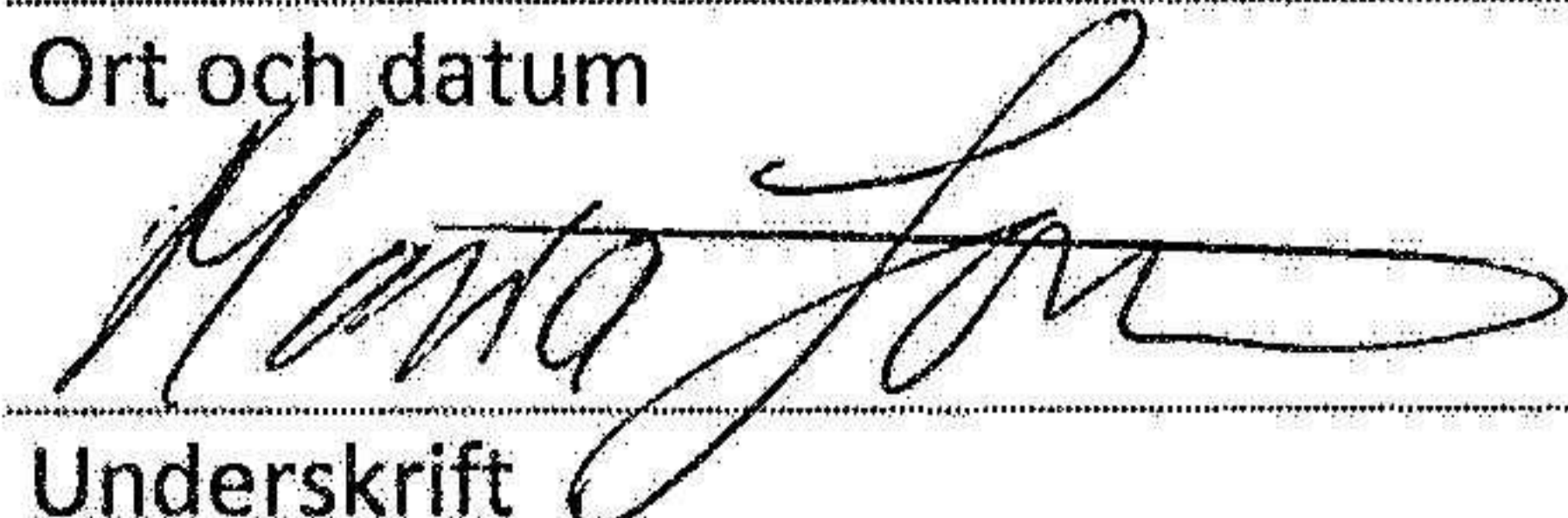
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Undertecknad styrelseledamot i Beardow Adams AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 21 april 2023. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Landskrona 2023-04-28

Ort och datum



Underskrift

Maria Jönsson

Namnförtydligande

Beardow Adams AB

Org.nr. 556490-8209

FÖRVALTNINGSBERÄTTELSE

Årsredovisningen är upprättad i svenska kronor, SEK.

Verksamheten

Beardow Adams AB producerar och säljer industrilimprodukter till den europeiska marknaden. Primärt fokus är Norden, men även exportmarknaden är av stor betydelse. Företaget har sitt huvudkontor i Landskrona och producerar vatten- och pulverlimmer, baserade både på naturliga och syntetiska råmaterial. Företaget säljer även smältlimmer som produceras av systerbolagen i Storbritannien och Tyskland.

De största marknaderna för företagets produkter finns inom pappersbearbetning förpackningsindustri, trä- och möbelindustri samt ett stort antal applikationer där två substrat osynligt måste sammanfogas.

Förutom lim säljer bolaget även specialprodukter till läkemedelsindustrin, klottersanering och skogsskydd.

Företagets säte är Landskrona

Flerårsjämförelse*

Beloppen i Flerårsjämförelse visas i KSEK

	2022	2021	2020	2019	2018
Nettoomsättning	80 792	64 728	60 748	63 188	63 168
Res. efter finansiella poster	-7 680	-3 246	-1 168	-2 038	-4 246
Balansomslutning	91 609	66 314	36 842	33 579	33 258
Soliditet (%)	6,08	19,98	3,24	1,98	2,11
Kassalikviditet (%)	36,90	31,40	48,06	42,05	46,98

*Definitioner av nyckeltal, se noter

Ägarförhållanden

Bolaget är ett dotterbolag och ägs till 100 % av BEARDOW ADAMS HOLDINGS LTD, Org.nr:09682290.

Väsentliga händelser under räkenskapsåret

2022 blev omsättningsmässigt för Beardow Adams AB det bästa året någonsin. Året stängdes med en omsättning på 80,8 Mkr, motsvarande en höjning med 25% mot föregående år och upp 12% mot budget. Jämfört med 2021, så var 2022 även ett år då försäljningsvolymen ökade med 13%.

De positiva siffrorna till trots, så var 2022 ett utmanande år som, precis som 2021, till stor del dominerades av begränsad tillgång till kemiska råmaterial och dramatiska kostnadshöjningar. Beträffande det sistnämnda, så såg t ex el- och gaspriser helt exceptionella nivåer. I detta klimat, så lyckades Beardow Adams ändå att säkerställa leveranser till sina befintliga kunder och att till stor del täcka upp för huvuddelen av kostnadsökningar. Beträffande nykundsetablering, så skedde detta under året i mindre utsträckning, helt naturligt beroende på varubrist och osäkerhet i den globala marknaden.

En av Beardow Adams styrkor i svåra och konjunktursvaga tider är att dess produkter säljs i många geografier och till en mängd olika användningsområden. Några exempel på båda dessa kan vara Sverige, Norge, Finland, hela Europa och ROW resp. förpacknings- och livsmedelsindustri, träindustri, pappersindustri samt flertalet andra industrier.

Under året så fortsatte uppbyggnaden av en ny smältlimsfabrik finansierad av Beardow Adams ägarbolag. Projektet kommer ge en extra produktionsvolym om 2 000 ton det första året och beräknas sedan öka till 6 000 ton per år under kommande år.

Företaget har under 2022 haft omcertifieringsrevision och är fortsatt certifierat enligt SS-EN ISO 14001:2015 och SS-EN ISO 9001:2015.

Väsentliga händelser efter räkenskapsårets slut

A.

Beardow Adams AB

Org.nr. 556490-8209

2023 har börjat försiktigt med en synbart lägre efterfrågan av företagets produkter. Observationen gäller samtliga marknadssegment där Beardow Adams är aktiv och kopplas direkt ihop med rådande lågkonjunktur. Positivt är att tillgången på råmaterial är god och priser på råmaterial på väg ned.

Framtida utveckling

Nykundsetablering, kostnadsbesparingar, optimering av produktionskapacitet och skapande av en tydligare "grön" företagsprofil är fortsatta fokusområden. Vidareutveckling av synergieffekter med systerbolag, en ökad synbarhet i regionen, användandet av sociala medier i marknadsföringssyfte är andra självklara målsättningar och inslag i vardagen.

Företaget avser att under 2023 komma in med en ansökan avseende nya miljötillstånd för utökad produktionskapacitet. Anläggningen för smältlimsproduktion planeras att tas i drift under 2023.

Förändringar i eget kapital

	Aktiekapital	Uppskrivningsfond	Balanserat resultat	Årets resultat	Summa eget kapital
Belopp vid årets ingång	100 000	12 870 731	3 529 155	-3 245 864	13 254 022
Resultatdisp. enl. beslut av årsstämma:			-3 245 864	3 245 864	0
Avskrivning av uppskrivningsfond	0	-429 024	429 024	0	0
Årets förlust				-7 679 581	-7 679 581
Belopp vid årets utgång	100 000	12 441 707	712 315	-7 679 581	5 574 441
			2022-12-31		2021-12-31
Villkorade aktieägartillskott uppgår till:			30 284 513		30 284 513

Resultatdisposition

Förslag till behandling av bolagets förlust

Till årsstämmans förfogande står

balanserad vinst	712 315
årets förlust	-7 679 581
	<u>-6 967 266</u>

Styrelsen föreslår att

i ny räkning överföres	-6 967 266
	<u>-6 967 266</u>

Beträffande bolagets resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

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Beardow Adams AB

Org.nr. 556490-8209

RESULTATRÄKNING

	Not	2022-01-01 2022-12-31	2021-01-01 2021-12-31
Rörelsens intäkter m.m.			
Nettoomsättning		80 792 470	64 727 962
Övriga rörelseintäkter		1 886 754	574 358
		<u>82 679 224</u>	<u>65 302 320</u>
Rörelsens kostnader			
Råvaror och förnödenheter		-57 846 811	-43 645 799
Övriga externa kostnader		-14 929 036	-10 024 112
Personalkostnader	3	-12 457 620	-12 434 706
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-1 421 860	-1 177 516
Övriga rörelsekostnader		-2 345 617	-596 378
		<u>-89 000 944</u>	<u>-67 878 511</u>
Rörelseresultat		-6 321 720	-2 576 191
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter		149	58
Räntekostnader och liknande resultatposter	4	-1 358 010	-669 731
		<u>-1 357 861</u>	<u>-669 673</u>
Resultat efter finansiella poster		-7 679 581	-3 245 864
Årets resultat		<u>-7 679 581</u>	<u>-3 245 864</u>

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Beardow Adams AB

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BALANSRÄKNING

2022-12-31

2021-12-31

TILLGÅNGAR

Not

Anläggningstillgångar**Materiella anläggningstillgångar**

Byggnader och mark	5	18 689 941	19 300 000
Maskiner och andra tekniska anläggningar	6	1 760 378	2 386 231
Pågående nyanläggningar och förskott avseende materiella och immateriella anläggningstillgångar	7	37 207 528	14 796 270
Summa materiella anläggningstillgångar		57 657 847	36 482 501

Finansiella anläggningstillgångar

Andelar i koncernföretag	8	72 247	72 247
Summa finansiella anläggningstillgångar		72 247	72 247

Summa anläggningstillgångar		57 730 094	36 554 748
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Omsättningstillgångar**Varulager m.m.**

Råvaror och förnödenheter		18 566 764	14 847 873
Summa varulager m.m.		18 566 764	14 847 873

Kortfristiga fordringar

Kundfordringar		13 481 503	13 179 809
Aktuell skattefordran		0	53 549
Övriga fordringar		258 381	220 981
Förutbetalda kostnader och upplupna intäkter		408 321	282 956
Summa kortfristiga fordringar		14 148 205	13 737 295

Kassa och bank

Kassa och bank		1 163 680	1 174 457
Summa kassa och bank		1 163 680	1 174 457

Summa omsättningstillgångar		33 878 649	29 759 625
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SUMMA TILLGÅNGAR		91 608 743	66 314 373
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Beardow Adams AB

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BALANSRÄKNING**EGET KAPITAL OCH SKULDER****Eget kapital****Bundet eget kapital**

Aktiekapital

100 000

100 000

Uppskrivningsfond

9

12 441 707

12 870 731

Summa bundet eget kapital

12 541 707

12 970 731

Fritt eget kapital

Balanserat resultat

712 315

3 529 155

Årets resultat

-7 679 581

-3 245 864

Summa fritt eget kapital

-6 967 266

283 291

Summa eget kapital

5 574 441

13 254 022

Avsättningar

10

Avsättningar för pensioner och liknande förpliktelser enligt tryggandelagen

5 838 879

5 571 040

Summa avsättningar

5 838 879

5 571 040

Långfristiga skulder

11

Skulder till koncernföretag

38 710 283

0

Summa långfristiga skulder

38 710 283

0

Kortfristiga skulder

Checkräkningskredit

5 324 851

5 362 487

Leverantörsskulder

8 764 902

4 401 033

Skulder till koncernföretag

23 325 457

34 548 736

Aktuell skatteskuld

6 981

0

Övriga skulder

791 064

550 758

Upplupna kostnader och förutbetalda intäkter

3 271 885

2 626 297

Summa kortfristiga skulder

41 485 140

47 489 311

SUMMA EGET KAPITAL OCH SKULDER**91 608 743****66 314 373**

NOTER

Not 1 Redovisnings- och värderingsprinciper

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning.

Principerna är oförändrade jämfört med föregående år.

Fordringar

Fordringar har upptagits till de belopp varmed de beräknas inflyta.

Övriga tillgångar, avsättningar och skulder

Övriga tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Intäktsredovisning

Inkomsten redovisas till det verkliga värdet av vad som erhållits eller kommer att erhållas. Företaget redovisar därför inkomsten till nominellt värde (fakturabelopp) om ersättningen erhålls i likvida medel direkt vid leverans. Avdrag görs för lämnade rabatter.

Försäljning av varor redovisas när företaget till köparen har överfört de väsentliga risker och förmåner som är förknippade med ägandet, normalt när kunden har varorna i sin besittning.

Intäkter från försäljning av varor som inte har några betydande serviceförpliktelser redovisas vid leverans.

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas till anskaffningsvärde med avdrag för ackumulerade avskrivningar och eventuella nedskrivningar. Tillgångarna skrivs av linjärt över tillgångarnas bedömda nyttjandeperiod förutom mark som inte skrivs av. Nyttjandeperioden omprövas per varje balansdag. Följande nyttjandeperioder tillämpas:

	Antal år
Byggnader	15-50
Maskiner och andra tekniska anläggningar	5-10

Leasing

Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

Samtliga leasingavtal kostnadsförs linjärt över leasingperioden.

Varulager

Varulagret är värderat till det lägsta av anskaffningsvärdet, beräknat enligt först-in-först-ut, och nettoförsäljningsvärde. Nettoförsäljningsvärdet har beräknats till försäljningsvärdet efter avdrag för beräknad försäljningskostnad, varmed hänsyn har tagits till inkurans.

Inkomstskatt

Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats.

Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller på balansdagen.

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NOTER

Avsättningar

Avsättningar redovisas när det finns en legal eller informell förpliktelse till följd av en tidigare händelse, det är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen och beloppen kan uppskattas på ett tillförlitligt sätt. Tidpunkten eller beloppet för utflödet kan fortfarande vara osäker.

Avsättningar för omstruktureringar redovisas bara om en fastställd och utförlig omstruktureringsplan har utarbetats och införts, eller om företaget minst har offentliggjort planens huvuddrag till dem som berörs av den. Avsättningar redovisas inte för utgifter som hör samman med den framtida verksamheten.

En avsättning redovisas till den bästa uppskattningen av det belopp som krävs för att reglera förpliktelsen på balansdagen. Avsättningar tas endast i anspråk för de utgifter som avsättningen ursprungligen var avsedd för. Avsättningar diskonteras till sina nuvärden där pengars tidsvärde är väsentligt.

Ersättningar till anställda

Pensioner

Förmånsbestämda pensionsplaner redovisas enligt erhållna besked från PRI. Pensionsförpliktelsen som säkerställts genom tecknande av en kapitalförsäkring värderas till kapitalförsäkringens redovisade värde.

Fordringar och skulder i utländsk valuta

Monetära fordringar och skulder i utländsk valuta har räknats om till balansdagens kurs.

Valutakursdifferenser som uppkommer vid reglering eller omräkning av monetära poster redovisas i resultaträkningen det räkenskapsår de uppkommer, antingen som en rörelsepost eller som en finansiell post utifrån den underliggande affärshändelsen.

Offentliga bidrag

Offentligt bidrag värderas till det verkliga värdet av den tillgång som företaget fått eller kommer att få.

Offentliga bidrag som inte är förenade med krav på framtida prestation, så kallade ovillkorade bidrag, intäktsförs när villkoren för att få bidraget uppfyllts, det vill säga oftast i samband med att bidrag erhålls.

Offentliga bidrag som är förenade med krav på framtida prestation, så kallade villkorade bidrag, skuldförs när bidraget erhålls och intäktsförs därefter när prestationen utförs.

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NOTER

Not 2 Uppskattningar och bedömningar

När finansiella rapporter upprättas måste styrelsen och den verkställande direktören i enlighet med tillämpade redovisnings- och värderingsprinciper göra vissa uppskattningar, bedömningar och antaganden som påverkar redovisning och värdering av tillgångar, avsättningar, skulder, intäkter och kostnader. Följande är betydande bedömningar som har gjorts vid tillämpning av redovisningsprinciper som har den mest betydande effekten på de finansiella rapporterna.

Bedömning av osäkra fordringar

Kundfordingar värderas till det kassaflöde som förväntas inflyta till företaget, därmed görs en detaljerad och objektiv genomgång av alla utestående belopp på balansdagen.

Nedskrivningar

För att bedöma nedskrivningsbehovet beräknas återvinningsvärdet för varje tillgång baserat på förväntade framtida kassaflöde och med användning av en tillämplig ränta för att kunna diskontera kassaflödet.

Osäkerheter ligger i antaganden om framtida kassaflöde och fastställande av en lämplig diskonteringsränta.

Varulager

Per varje balansdag görs en beräkning av nettoförsäljningsvärdet för varulagret varmed de mest tillförlitliga uppgifter som finns tillgängliga beaktas. Det framtida försäljningsvärdet kan påverkas av framtida teknologi och andra marknadsdrivna förändringar som kan minska framtida försäljningspriser.

UPPLYSNINGAR TILL ENSKILDA POSTER

Not 3 Medelantal anställda	2022	2021
<i>Medelantal anställda</i>		
Medelantalet anställda bygger på av bolaget betalda närvarotimmar relaterade till en normal arbetstid.		
Medelantal anställda har varit	17,00	16,00
Not 4 Räntekostnader och liknande resultatposter	2022	2021
Räntekostnader till koncernföretag	985 913	310 569
PRI	171 149	225 761
SEB	200 281	132 403
Övriga räntekostnader	667	998
<i>A.</i>	1 358 010	669 731

Beardow Adams AB

Org.nr. 556490-8209

NOTER

Not 5	Byggnader och mark	2022-12-31	2021-12-31
	Ingående anskaffningsvärde	7 515 483	7 515 483
	Utgående ackumulerade anskaffningsvärden	7 515 483	7 515 483
	Ingående avskrivningar	-1 086 214	-905 178
	Årets avskrivningar	-181 035	-181 036
	Utgående ackumulerade avskrivningar	-1 267 249	-1 086 214
	Ingående uppskrivningar	12 870 731	0
	Årets uppskrivningar	0	12 870 731
	Årets avskrivningar på uppskrivet belopp	-429 024	0
	Utgående ackumulerade uppskrivningar netto	12 441 707	12 870 731
	Utgående redovisat värde	18 689 941	19 300 000
	Redovisat värde byggnader	16 689 941	17 300 000
	Redovisat värde mark	2 000 000	2 000 000
		18 689 941	19 300 000
Not 6	Maskiner och andra tekniska anläggningar	2022-12-31	2021-12-31
	Ingående anskaffningsvärde	10 060 492	9 857 464
	Inköp	185 948	223 028
	Försäljningar/utrangeringar	0	-20 000
	Utgående ackumulerade anskaffningsvärden	10 246 440	10 060 492
	Ingående avskrivningar	-7 674 261	-6 697 781
	Försäljningar/utrangeringar	0	20 000
	Årets avskrivningar	-811 801	-996 480
	Utgående ackumulerade avskrivningar	-8 486 062	-7 674 261
	Utgående redovisat värde	1 760 378	2 386 231
Not 7	Pågående nyanläggningar och förskott avseende materiella och immateriala anläggningstillgångar	2022-12-31	2021-12-31
	Ingående anskaffningsvärde	14 796 270	0
	Inköp	22 411 258	14 796 270
	Utgående ackumulerade anskaffningsvärden	37 207 528	14 796 270
	Utgående redovisat värde	37 207 528	14 796 270
Not 8	Andelar i koncernföretag	2022-12-31	2021-12-31
	Företag	Antal/Kap.	Redovisat
	Organisationsnummer	andel %	värde
	Beardow Adams Oy	80	72 247
	1027158-4	100,00%	72 247
			72 247
			72 247

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Beardow Adams AB

Org.nr. 556490-8209

NOTER**Uppgifter om eget kapital och resultat, EUR**

Beardow Adams Oy

Eget kapital

71 027

Resultat

-331

Not 9 Uppskrivningsfond**2022-12-31****2021-12-31**

Belopp vid årets ingång

12 870 731

0

Årets uppskrivning

0

12 870 731

Avskrivning på uppskrivet belopp

-429 024

0

Belopp vid årets utgång

12 441 707

12 870 731

Not 10 Avsättningar**2022-12-31****2021-12-31**

Pensionsskuld, PRI

5 838 879

5 571 040

5 838 8795 571 040**Not 11 Långfristiga skulder****2022-12-31****2021-12-31**

Amortering inom 2 till 5 år

38 710 283

0

Amortering efter 5 år

0

0

38 710 2830**Not 12 Ställda säkerheter för skulder till kreditinstitut****2022-12-31****2021-12-31**

Fastighetsinteckningar

930 000

930 000

Företagsinteckningar

10 000 000

10 000 000

Not 13 Eventualförpliktelser**2022-12-31****2021-12-31**

PRI Pensionsgaranti

116 778

111 421

116 778111 421**Not 14 Koncernförhållanden**

Bolaget är helägt dotterbolag BEARDOW ADAMS HOLDINGS LTD, Org.nr: 09682290.

Bolaget är moderbolag, men med stöd av ÅRL 7 kap 2 § upprättas inte någon koncernredovisning.

Övergripande koncernredovisning upprättas av BEARDOW ADAMS HOLDINGS LTD, Org.nr: 09682290.

Not 15 Definition av nyckeltal

Soliditet

Justerat eget kapital i procent av balansomslutning

Kassalikviditet

Omsättningstillgångar exkl. varulager i procent av kortfristiga skulder

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NOTER

Landskrona *2023-04-18*

2023050204265

Robert Adams *Williams*

A. Day
Adrian Day

Maria Jönsson
Maria Jönsson

Jan Elftonsson
Jan Elftonsson

Kristel Draxo
Kristel Draxo

Vår revisionsberättelse har lämnats den *21 april 2023*

Mazars AB

Anders Persson
Anders Persson
Auktoriserad revisor

REVISIONSBERÄTTELSE

Till bolagsstämman i Beardow Adams AB
Org. nr 556490-8209

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Beardow Adams AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Beardow Adams AB:s finansiella ställning per den 31 december 2022 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Beardow Adams AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller på misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Beardow Adams AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman behandlar förlusten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Beardow Adams AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

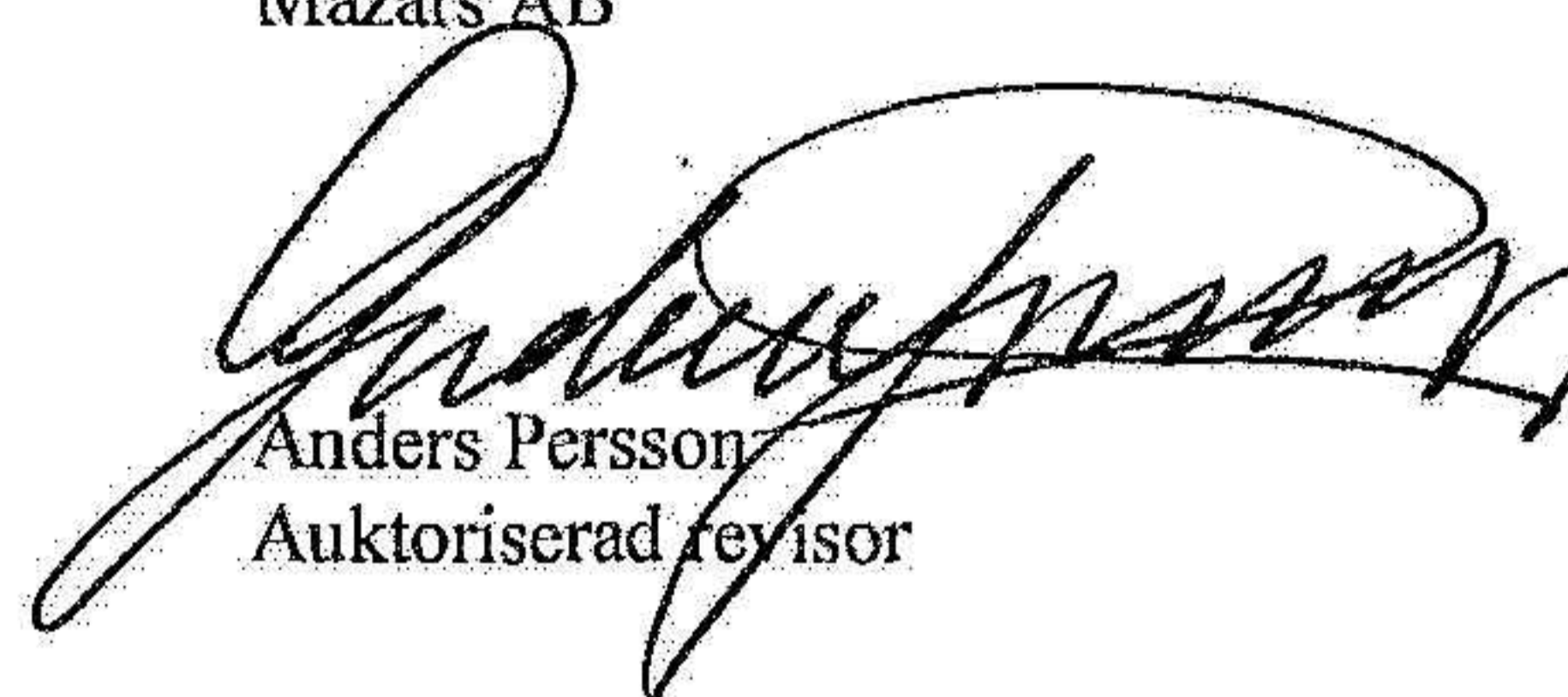
Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Landskrona, 2023-04-21

Mazars AB



Anders Persson
Auktoriserad revisor

BEARDOW ADAMS HOLDINGS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

BEARDOW ADAMS HOLDINGS LTD

COMPANY INFORMATION

Directors	A J Day R J Martsching (appointed 2 May 2023)
Company secretary	N J Beardow (resigned 10 May 2022)
Registered number	09682290
Registered office	32 Blundells Road Bradville Milton Keynes Buckinghamshire MK13 7HF
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF

BEARDOW ADAMS HOLDINGS LTD

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BEARDOW ADAMS HOLDINGS LTD

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors present their Group Strategic Report and the financial statements for the year ended 31 December 2022.

The Beardow Adams Group remains strong in manufacturing and delivering products across many sectors internationally. The Group is focussed on investment to support its overall objective; being globally recognised as a high quality innovative adhesive manufacturer.

The Group had a very strong year across all companies with the growth in sales. Strategically the company remains committed to all markets and with industry wide increasing material costs has invested in pricing strategies to ensure that our Global Partners and direct customers are only passed on costs where necessary. This has led to a deliberate short term deterioration in Gross Profit which is being managed successfully to ensure a maintainable operating profit going forward.

Business review

Sales for the year are £109,228,533 (2021: £105,883,743). The Group has increased sales through tonnage sold in the year driven by increased activity in all regions and sectors. There was a profit for the year after taxation amounting to £1,985,082 (2021: £1,800,301).

Principal risks and uncertainties

The Group's principal risks and uncertainties are managed through robust processes and controls which include regular Board and Management meetings supplemented with ISO procedures.

Regulatory risk through compliance to many regulations which govern our products is managed through dedicated qualified resources.

The Group sell its products into many countries and is therefore exposed to political and economic uncertainty. Since the outbreak of war in Ukraine there has been a loss of sales to both Russia and Ukraine, this reduction in revenue has been compensated for elsewhere as the company operates across many territories. In addition to being well spread across many geographies there is no reliance on any one sector which provides a natural hedge to industry specific down turns.

Supply chain risk is managed by ensuring that multiple suppliers are qualified to provide the necessary offset materials to the business on both a local and global basis.

Financial key performance indicators

The Group and individual companies monitor their performance in all aspects of the business using a variety of financial and non-financial indicators. The key indicators for the year of the Group are:

	2022	2021
	%	%
Sales growth/(decrease)	3.2	15.9
Gross profit increase/(decrease)	2.0	(2.1)
Net pre-tax profit growth/(decrease)	34.0	(42.2)

Other key performance indicators

Other key performance indicators include sales delivery performance, measures of overall customer satisfaction, product quality and credit collection. These indicators are measured on a daily and monthly basis.

BEARDOW ADAMS HOLDINGS LTD

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Section 172

The Board of Directors confirm that during the year under review, it has acted to promote the long-term success of the Group for the benefit of its members as a whole. The directors recognise that the success of the Group depends on its ability to engage effectively with all stakeholders and by taking their views into account.

The following table offers some insight into how the Board engage with all stakeholders.

Stakeholder	Their interests	How we engage	How the Board engage
Our Global Partners	<ul style="list-style-type: none"> • A partnership approach to business • Growing with Beardow Adams • Technical support, innovation, and education • Collaboration • High performance and quality of product • Fair treatment including fair pricing 	<ul style="list-style-type: none"> • Experienced and senior staff support • Technical training • Conferences • Regular review meetings • Surveys 	<ul style="list-style-type: none"> • Active involvement in all engagement activities
Our People	<ul style="list-style-type: none"> • Robust and sustainable business • Health and safety • Development and training • Progression opportunities • Diversity and inclusion • Communication and engagement 	<ul style="list-style-type: none"> • Intranet and HR systems • Internal communications • Huddle meetings and toolbox talks • Business reviews 	<ul style="list-style-type: none"> • Flat management structure • Open office policies and visibility within the business • Weekly business updates • Regular HR updates • Management review meetings
Customers	<ul style="list-style-type: none"> • Customer engagement • Fair treatment including fair pricing • High performance and quality of product 	<ul style="list-style-type: none"> • Dedicated business managers • Customer surveys • Direct Marketing • Exhibitions • Social Media 	<ul style="list-style-type: none"> • Active participation in customer meetings • Engagement with customer innovation and product development
Suppliers	<ul style="list-style-type: none"> • Established and collaborative relationships • Support with innovation • Fair trading 	<ul style="list-style-type: none"> • Regular review meetings • Attendance to industry specific conferences 	<ul style="list-style-type: none"> • Active involvement in all engagement activities
Shareholders	<ul style="list-style-type: none"> • Performance of the business • Return on Investment 	<ul style="list-style-type: none"> • Meetings • Annual Reports 	<ul style="list-style-type: none"> • Investor Directors form part of the Group Board and regularly engage with the Management Team • Annual Report

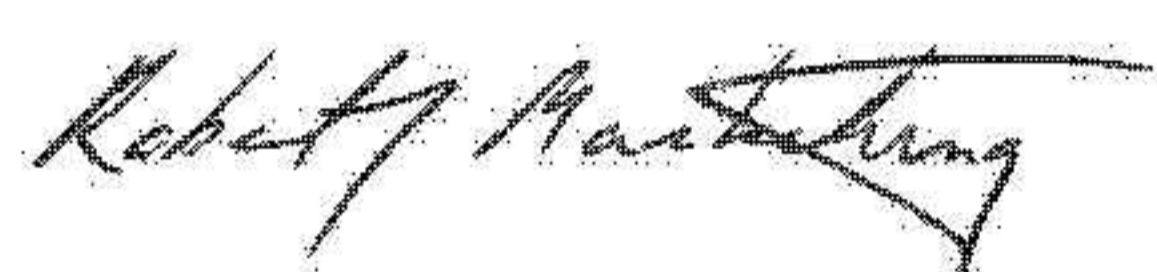
BEARDOW ADAMS HOLDINGS LTD

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Section 172 (continued)

Regulatory bodies	<ul style="list-style-type: none">• Compliance• Data privacy• Risk management	<ul style="list-style-type: none">• Participation with BASA and FEICA• Dedicated independent compliance officer	<ul style="list-style-type: none">• Regular Board updates via the Compliance Manager• Regular reports from across the business on regulatory matters
Community, environment, government	<ul style="list-style-type: none">• Openness and transparency• Compliance with legislation• Sustainability• Environment• Community	<ul style="list-style-type: none">• Dedicated internal Green Team• Focus to become local employer of choice	<ul style="list-style-type: none">• Direct Board representation on the Green Team

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



R J Martsching
Director

Date: Dec 18, 2023

BEARDOW ADAMS HOLDINGS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £2,099,202 (2021 - £2,014,914).

During the year a dividend of £400,000 (2021 - £1,060,000) was declared and paid.

Directors

The directors who served during the year were:

R E Adams (resigned 2 May 2023)
N J Beardow (resigned 2 May 2023)
A J Day
L E Sheldon (resigned 2 May 2023)
N A Irons (resigned 12 October 2023)
R J Martsching (appointed 2 May 2023)

BEARDOW ADAMS HOLDINGS LTD

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Environmental reporting

In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 our energy use and greenhouse gas (GHG) emissions are set out below.

The data relates to UK emissions for the 12-month period from 1 January 2022 to 31 December 2022.

Beardow Adams Holdings Ltd Energy Use and Associated Greenhouse Gas Emissions

	January - December 2022	January - December 2021
Total energy consumption	9,305,767 kWh	11,044,306* kWh
Emmissions from combustion of gas (Scope 1)	965 tCO ₂ e	1,167 tCO ₂ e
Emmissions from combustions of fule for the purposes of transport (Scope 1)	44 tCO ₂ e	34* tCO ₂ e
Emissions from purchases electricity (Scope 2)	747 tCO ₂ e	971 tCO ₂ e
Emmissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	1 tCO ₂ e	0.2* tCO ₂ e
Total gross emissions	1,757 tCO₂e	2,173* tCO₂e
Emmissions per £m turnover [external]	25 tCO₂e per £m turnover	32 tCO₂e per £m turnover

*Recalculated in line with 2022 methodology

BEARDOW ADAMS HOLDINGS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Beardow Adams Holdings Ltd are committed to reducing the Environmental impact of our operations. In the period covered by the report the Group has replaced old fluorescent lights with LED lighting in buildings, and prioritised the selection of efficient equipment through the review of design and procurement procedures, including replacing factory motors with newer versions.

We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). The 2020 UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment Food & Rural Affairs (DEFRA) are used to convert energy use in our operations to emissions of CO₂e. Carbon emission factors for purchased electricity calculated according to the 'location-based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. Data sources include billing, invoices and the Group's internal systems. Gas units were converted from cubic meters into kWh using average conversion factors. For transport data where actual usage data (e.g. litres) was unavailable conversions were made using average fuel consumption factors to estimate the usage.

Quantification and Reporting Methodology:

The boundaries of this report are based on operational control. We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only that come under the operational control boundary. The 2021 UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment Food & Rural Affairs (DEFRA) are used to convert energy use in our operations to emissions of CO₂e. Carbon emission factors for purchased electricity calculated according to the 'location-based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. Data sources include billing, invoices and internal systems. For transport data where actual usage data (e.g. litres) was unavailable conversions were made using average fuel consumption factors to estimate the usage. There is a minor correction to the gas consumption figures for 2020.

Intensity Ratio

We have chosen to report our gross emissions against £m Turnover.

Energy Efficiency Action:

Beardow Adams Holdings Ltd are committed to reducing the Environmental impact of our operations, we continue to replace existing fluorescent lighting with high efficiency LED alternatives.

Future developments

The shareholders entered into discussions with H.B. Fuller Company during 2022 and decided that combining the two business would create a stronger force in the adhesives industry.

Matters covered in the Group Strategic Report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the Strategic Report instead. These matters relate to business review, principal risk and uncertainties, financial key performance indicators and other key performance indicators.

BEARDOW ADAMS HOLDINGS LTD

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

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

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

Post balance sheet events

On 2 May 2023 Beardow Adams Holdings Ltd was acquired by H.B. Fuller Company (NYSE: FUL), the biggest pure play adhesives company in the world. Combining the two companies is an exciting move toward H.B. Fuller's goal of strengthening their leadership position in the markets and regions they serve by expanding our customer base and technology portfolio to address today's megatrends, such as e-commerce, food safety, and sustainability.

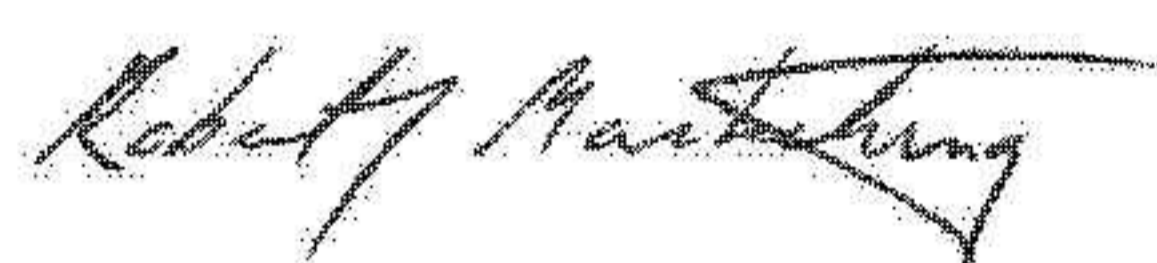
On 25th April 2023 Beardow Adams Holdings Ltd disposed of its majority shareholding in Paniker SA.

On 21st April 2023 Beardow Adams Holdings Ltd acquired the minority shareholding in Beardow Adams SAS.

Auditor

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

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



R J Martsching
Director

Date: Dec 18, 2023

BEARDOW ADAMS HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEARDOW ADAMS HOLDINGS LTD

Opinion

We have audited the financial statements of Beardow Adams Holdings Ltd (the 'Company') for the year ended 31 December 2022 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of the Group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

BEARDOW ADAMS HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEARDOW ADAMS HOLDINGS LTD

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEARDOW ADAMS HOLDINGS LTD

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

BEARDOW ADAMS HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEARDOW ADAMS HOLDINGS LTD

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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 auditor's 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.



Gareth Jones (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: Dec 18, 2023

BEARDOW ADAMS HOLDINGS LTD

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	As restated 2021 £
Turnover	4	109,228,533	105,883,743
Cost of sales		(79,548,231)	(77,591,636)
Gross profit		<u>29,680,302</u>	<u>28,292,107</u>
Administrative expenses		(25,902,923)	(25,470,285)
Exceptional administrative expenses		(101,764)	1,550
Other operating income	5	51,935	57,341
Gain/(loss) on foreign exchange relating to trading activities		1,595,108	(182,554)
Loss on disposal of subsidiary undertaking	30	(1,471,802)	-
Operating profit	7	<u>3,850,856</u>	<u>2,698,159</u>
Interest receivable and similar income	11	6,876	18,761
Interest payable and similar expenses	12	(953,578)	(549,016)
Profit before taxation		<u>2,904,154</u>	<u>2,167,904</u>
Tax on profit	13	(919,072)	(367,603)
Profit for the financial year		<u><u>1,985,082</u></u>	<u><u>1,800,301</u></u>
Currency translation on foreign net investments		(1,744,858)	(788,172)
Revaluation surplus on property		2,048,354	3,740,554
Other comprehensive income for the year		<u>303,496</u>	<u>2,952,382</u>
Total comprehensive income for the year		<u><u>2,288,578</u></u>	<u><u>4,752,683</u></u>
Profit for the year attributable to:			
Non-controlling interests		(114,120)	(214,613)
Owners of the parent Company		2,099,202	2,014,914
		<u>1,985,082</u>	<u>1,800,301</u>
Total comprehensive income for the year attributable to:			
Non-controlling interest		(114,120)	(214,613)
Owners of the parent Company		2,402,698	4,967,296
		<u>2,288,578</u>	<u>4,752,683</u>

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD
REGISTERED NUMBER: 09682290

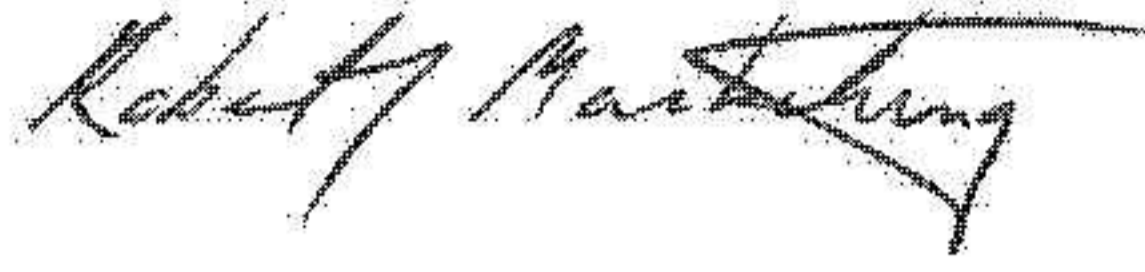
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Intangible assets	15	1,256,913	1,516,914
Tangible assets	16	23,277,290	21,800,968
Investments	17	22,678	39,750
		<u>24,556,881</u>	<u>23,357,632</u>
Current assets			
Stocks	18	15,591,918	16,913,559
Debtors	19	19,239,286	21,009,184
Cash and cash equivalents	20	2,562,845	3,075,358
		<u>37,394,049</u>	<u>40,998,101</u>
Creditors: amounts falling due within one year	21	<u>(25,469,233)</u>	<u>(27,315,955)</u>
Net current assets		11,924,816	13,682,146
Total assets less current liabilities		<u>36,481,697</u>	<u>37,039,778</u>
Creditors: amounts falling due after more than one year	22	(12,578,355)	(14,828,862)
Provisions for liabilities			
Deferred taxation	26	(85,465)	-
Other provisions	27	172,924	(108,693)
		<u>87,459</u>	<u>(108,693)</u>
Net assets		<u><u>23,990,801</u></u>	<u><u>22,102,223</u></u>
Equity			
Called up share capital	28	2,000	2,000
Foreign exchange reserve	29	(831,313)	836,224
Profit and loss account	29	23,241,717	19,243,763
Equity attributable to owners of the parent Company		<u>22,412,404</u>	<u>20,081,987</u>
Non-controlling interests		1,578,397	2,020,236
Total equity		<u><u>23,990,801</u></u>	<u><u>22,102,223</u></u>

BEARDOW ADAMS HOLDINGS LTD
REGISTERED NUMBER: 09682290

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

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



R J Martsching
Director

Date: Dec 18, 2023

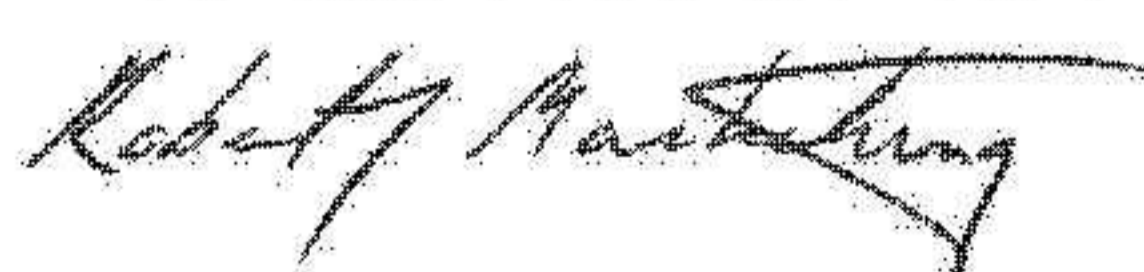
The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD
REGISTERED NUMBER: 09682290

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Investments	17	19,099,215	20,587,754
		<u>19,099,215</u>	<u>20,587,754</u>
Current assets			
Debtors	19	657,198	63,830
Cash and cash equivalents	20	2,543	2,006
		<u>659,741</u>	<u>65,836</u>
Creditors: amounts falling due within one year	21	(6,347,380)	(5,350,692)
Net current liabilities		<u>(5,687,639)</u>	<u>(5,284,856)</u>
Net assets		<u>13,411,576</u>	<u>15,302,898</u>
Equity			
Called up share capital	28	2,000	2,000
Profit and loss account brought forward		15,300,898	15,985,583
(Loss)/profit for the year		(1,491,322)	375,315
Dividends paid		(400,000)	(1,060,000)
		<u>13,409,576</u>	<u>15,300,898</u>
Profit and loss account carried forward		13,409,576	15,300,898
Total equity		<u>13,411,576</u>	<u>15,302,898</u>

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



R J Martsching
Director

Date: Dec 18, 2023

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£
At 1 January 2022 (as previously stated)	2,000	836,224	20,677,612	21,515,836	2,020,236	23,536,072
Prior year adjustment - correction of error (note 31)	-	-	(1,433,849)	(1,433,849)	-	(1,433,849)
At 1 January 2022 (as restated)	2,000	836,224	19,243,763	20,081,987	2,020,236	22,102,223
Comprehensive income for the year						
Profit/(loss) for the year	-	-	2,099,202	2,099,202	(114,120)	1,985,082
Currency translation on foreign net investments	-	(1,667,537)	-	(1,667,537)	(77,321)	(1,744,858)
Revaluation surplus	-	-	2,048,354	2,048,354	-	2,048,354
Other comprehensive income for the year	-	(1,667,537)	2,048,354	380,817	(77,321)	303,496
Total comprehensive income for the year	-	(1,667,537)	4,147,556	2,480,019	(191,441)	2,288,578
Contributions by and distributions to owners						
Dividends: Equity capital	-	-	(400,000)	(400,000)	-	(400,000)
Transfer of NCI on acquisition	-	-	250,398	250,398	(250,398)	-
Total transactions with owners	-	-	(149,602)	(149,602)	(250,398)	(400,000)
At 31 December 2022	2,000	(831,313)	23,241,717	22,412,404	1,578,397	23,990,801

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Foreign exchange reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£
At 1 January 2021 (as previously stated)	2,000	1,442,059	16,636,720	18,080,779	1,839,848	19,920,627
Prior year adjustment - correction of error (note 31)	-	-	(1,433,849)	(1,433,849)	-	(1,433,849)
At 1 January 2021 (as restated)	2,000	1,442,059	15,202,871	16,646,930	1,839,848	18,486,778
Comprehensive income for the year						
Profit for the year	-	-	2,014,914	2,014,914	(214,613)	1,800,301
Currency translation on foreign net investments	-	(605,835)	-	(605,835)	(182,337)	(788,172)
Revaluation surplus	-	-	3,085,978	3,085,978	654,576	3,740,554
Other comprehensive income for the year	-	(605,835)	3,085,978	2,480,143	472,239	2,952,382
Total comprehensive income for the year	-	(605,835)	5,100,892	4,495,057	257,626	4,752,683
Contributions by and distributions to owners						
Dividends: Equity capital	-	-	(1,060,000)	(1,060,000)	(77,238)	(1,137,238)
Total transactions with owners	-	-	(1,060,000)	(1,060,000)	(77,238)	(1,137,238)
At 31 December 2021	2,000	836,224	19,243,763	20,081,987	2,020,236	22,102,223

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2022 (as previously stated)	2,000	16,705,622	16,707,622
Prior year adjustment - correction of error (note 31)	-	(1,404,724)	(1,404,724)
At 1 January 2022 (as restated)	<u>2,000</u>	<u>15,300,898</u>	<u>15,302,898</u>
Comprehensive income for the year			
Loss for the year	-	(1,491,322)	(1,491,322)
Other comprehensive income for the year	-	-	-
Contributions by and distributions to owners			
Dividends: Equity capital	-	(400,000)	(400,000)
Total transactions with owners	-	(400,000)	(400,000)
At 31 December 2022	<u><u>2,000</u></u>	<u><u>13,409,576</u></u>	<u><u>13,411,576</u></u>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021 (as previously stated)	2,000	17,307,873	17,309,873
Prior year adjustment - correction of error (note 31)	-	(1,322,290)	(1,322,290)
At 1 January 2021 (as restated)	<u>2,000</u>	<u>15,985,583</u>	<u>15,987,583</u>
Comprehensive income for the year			
Profit for the year	-	375,315	375,315
Other comprehensive income for the year	-	-	-
Contributions by and distributions to owners			
Dividends: Equity capital	-	(1,060,000)	(1,060,000)
Total transactions with owners	-	(1,060,000)	(1,060,000)
At 31 December 2021	<u><u>2,000</u></u>	<u><u>15,300,898</u></u>	<u><u>15,302,898</u></u>

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	1,985,082	1,800,301
Adjustments for:		
Amortisation of intangible assets	134,032	284,980
Depreciation of tangible assets	2,925,881	3,291,714
Interest paid	953,578	549,016
Interest received	(6,876)	(18,761)
Taxation charge	919,072	367,603
Decrease/(increase) in stocks	2,551,112	(5,400,971)
Decrease/(increase) in debtors	3,429,638	(2,489,281)
(Decrease)/increase in creditors	(4,980,300)	855,311
(Decrease) in provisions	(281,617)	(10,649)
Corporation tax (paid)	(384,057)	(687,809)
Foreign exchange (gains)/losses	(1,595,108)	190,656
Loss on disposal of subsidiary	1,471,802	-
Net cash generated from/(used in) operating activities	7,122,239	(1,267,890)
Cash flows used in investing activities		
Purchase of intangible assets	(45,943)	(89,538)
Sale of intangible assets	2,026	-
Purchase of tangible assets	(2,459,445)	(3,052,021)
Sale of tangible assets	298,690	73,986
Sale of investments in financial instruments	19,201	-
Interest received	6,876	18,761
Net cash outflow on disposal of subsidiary	(802,910)	-
Net cash used in investing activities	(2,981,505)	(3,048,812)
Cash flows from financing activities		
New secured loans	1,664,833	9,368,290
Repayment of loans	(3,826,618)	(2,182,537)
Repayment of finance leases	(218,061)	(27,598)
Dividends paid	(400,000)	(1,060,000)
Interest paid	(953,578)	(549,016)
Dividends paid to non-controlling interests	-	(77,238)
Net cash (used in)/generated from financing activities	(3,733,424)	5,471,901
Net increase in cash and cash equivalents	407,310	1,155,199

BEARDOW ADAMS HOLDINGS LTD

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash and cash equivalents at beginning of year	(619,620)	(1,745,639)
Foreign exchange losses on cash and cash equivalents	(18,096)	(29,181)
Cash and cash equivalents at the end of year	(230,406)	(619,621)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,562,845	3,075,358
Bank overdrafts	(2,793,251)	(3,694,979)
	(230,406)	(619,621)

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,075,358	(512,513)	2,562,845
Bank overdrafts	(3,694,979)	901,729	(2,793,250)
Debt due after 1 year	(14,033,016)	2,063,423	(11,969,593)
Debt due within 1 year	(4,426,850)	48,254	(4,378,596)
Hire purchase	(961,293)	207,940	(753,353)
	<u>(20,040,780)</u>	<u>2,708,833</u>	<u>(17,331,947)</u>

The notes on pages 22 to 50 form part of these financial statements.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Beardow Adams Holdings Ltd is a private company limited by shares and incorporated in England and Wales. The registered office is 32 Blundells Road, Bradville, Milton Keynes, MK13 7HF. Company number 09682290.

The Company is a holding company. The Group are principally engaged in the manufacture of hot melt, water-based and solvent based adhesives.

The financial statements are prepared in Pounds Sterling as this is the functional currency of the economic environment in which the Company operates.

Monetary amounts in these financial statements are rounded to the nearest £.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 January 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review on page 1. The Group Strategic Report, Directors' Report and financial statements describe the financial position of the Group; its liquidity position and borrowings; its financial risk management objectives; details of its financial instruments; and its exposure to credit risk and liquidity risk. The Group's forecasts and projections, taking account of reasonably possible changes in trading show that the Group will be able to operate within its current facilities. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group 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 Group 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.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2021 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.7 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss 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 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss 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 Group in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.16 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 the Group's share 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 Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

The estimated useful lives range as follows:

Rights, patents and development	- 5 years
Development expenditure	- 5 years
Goodwill	- 20 years
Negative goodwill	- 5 years

2.17 Tangible assets

Tangible 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.

Investment property rented to other group entities and accounted for under the cost model is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

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:

Freehold property	- 50 years
Plant and machinery	- 5 - 10 years
Motor vehicles	- 5 years

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.18 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.19 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.

2.20 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.

2.21 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.22 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.

2.23 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 profit or loss in the year that the Group 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.

2.25 Financial instruments

The Group only enters into basic financial instrument 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 ordinary shares.

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.26 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The critical judgements that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Valuation of stock

The Group establishes a provision for inventory that is not deemed to be held at the lower of cost and net realisable value. When assessing this, the directors consider the recent movement of stock and the current prices of raw materials.

Depreciation and amortisation

The Group depreciate fixed assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management.

Deferred tax asset

When tax losses exist, management must determine how these will be recovered in the future when assessing the value of the asset to be recognised in the financial statements.

Bad debt provision

Bad debts are provided for on a specific basis, based on management's best estimate of the recoverable amounts.

Property valuation

Management estimation is required to determine the property valuations. Property is carried at fair value determined by the Group Managing Director and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location, condition or development potential of the specific asset.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Principal activity	109,228,533	105,883,743

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	11,675,013	17,345,475
Rest of Europe	67,125,536	63,702,011
Rest of the world	30,427,984	24,836,257
	<u>109,228,533</u>	<u>105,883,743</u>

5. Other operating income

	2022 £	2021 £
Other income	51,935	30,800
Furlough income	-	26,541
	<u>51,935</u>	<u>57,341</u>

6. Exceptional items

	2022 £	2021 £
Restructuring costs	132,806	-
Product liability recharge	(31,042)	(1,550)
	<u>101,764</u>	<u>(1,550)</u>

Exceptional items relate to non-recurring costs.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	2,925,881	3,291,714
Amortisation of intangible assets, including goodwill	134,032	284,980
Exchange differences	223,061	178,019
Operating lease rentals	1,098,085	1,916,047
Defined contribution pension cost	536,263	560,198
Research and development expense	185,015	332,983
	<u> </u>	<u> </u>

8. Auditor's remuneration

	2022	2021
	£	£
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	70,000	62,000
Fees payable to the Group's audit in respect of:		
All other services	26,575	30,500
	<u> </u>	<u> </u>

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	11,836,431	12,072,829	-	-
Social security costs	1,790,816	1,994,042	-	-
Cost of defined contribution scheme	536,263	560,198	-	-
	<u>14,163,510</u>	<u>14,627,069</u>	<u>-</u>	<u>-</u>

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

	2022 No.	2021 No.
Production	124	133
Distribution	44	42
Administration	36	52
Management	17	18
Technical	27	31
	<u>248</u>	<u>276</u>

10. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	787,983	545,539
Group contributions to defined contribution pension schemes	34,777	24,168
	<u>822,760</u>	<u>569,707</u>

During the year retirement benefits were accruing to 6 directors (2021 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £206,784 (2021 - £171,925).

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Interest receivable

	2022	2021
	£	£
Other interest receivable	6,876	18,761
	<u>6,876</u>	<u>18,761</u>

12. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	662,355	444,690
Other loan interest payable	151,803	85,282
Finance leases and hire purchase contracts	2,366	19,044
Other interest payable	137,054	-
	<u>953,578</u>	<u>549,016</u>

13. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	900,158	546,919
Adjustments in respect of previous periods	19,931	(140,694)
	<u>920,089</u>	<u>406,225</u>
Foreign tax		
Foreign tax on income for the year	209,589	41,045
Total current tax	<u>1,129,678</u>	<u>447,270</u>
Deferred tax		
Origination and reversal of timing differences	(214,065)	(204,503)
Adjustments in respect of previous periods	13,741	143,279
Effect of tax rate change	(10,282)	(18,443)
Total deferred tax	<u>(210,606)</u>	<u>(79,667)</u>
Taxation on profit on ordinary activities	<u>919,072</u>	<u>367,603</u>

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£	£
Profit on ordinary activities before tax	2,904,155	2,167,904
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	551,789	411,902
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	41,178	6,781
Capital allowances for year in excess of depreciation	64,129	49,421
Chargeable losses	(8,371)	-
Difference due to overseas tax rates	(139,558)	14,989
Adjustments to tax charge in respect of prior periods	19,931	(140,694)
Adjustments to tax charge in respect of prior periods - deferred tax	13,741	143,279
Adjustment in research and development tax credit leading to an increase/(decrease) in the tax charge	4,569	(80,804)
Remeasurement of deferred tax for changes in tax rates	(7,219)	24,513
Changes in tax rates	(3,064)	(37,466)
Deferred tax not recognised	8,371	89,487
Other differences leading to an increase/(decrease) in the tax charge	373,576	(113,805)
Total tax charge for the year	919,072	367,603

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom would increase from 19% to 25%. Companies with profits of £50,000 or less would continue to be taxed at 19%, which was a new small profits rate. Where taxable profits were between £50,000 and £250,000, the higher 25% rate would apply but with a marginal relief applying as profits increased. In September 2022 the UK Government announced that the corporation tax rate would be remaining at 19%. Deferred tax is provided for at 25% as that was the substantially enacted rate at the reporting date.

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Dividends

	2022	2021
	£	£
Dividends paid	400,000	1,060,000

15. Intangible assets

Group

	Rights, patents and development	Development	Goodwill	Negative goodwill	Total
	£	£	£	£	£
Cost					
At 1 January 2022	1,214,376	596,998	4,094,625	(543,265)	5,362,734
Additions	14,886	31,057	-	-	45,943
Disposals	-	(3,802)	(2,231)	-	(6,033)
Disposal of subsidiary	(254,116)	(17,004)	(930,109)	-	(1,201,229)
Foreign exchange movement	(245,612)	(45,279)	107,600	-	(183,291)
At 31 December 2022	<u>729,534</u>	<u>561,970</u>	<u>3,269,885</u>	<u>(543,265)</u>	<u>4,018,124</u>
Amortisation					
At 1 January 2022	909,542	514,882	2,964,661	(543,265)	3,845,820
Charge for the year on owned assets	86,632	27,110	20,290	-	134,032
On disposals	-	(3,726)	(281)	-	(4,007)
Disposal of subsidiary	(254,116)	(17,004)	(740,863)	-	(1,011,983)
Foreign exchange movement	(250,920)	(45,282)	93,552	-	(202,650)
At 31 December 2022	<u>491,138</u>	<u>475,980</u>	<u>2,337,359</u>	<u>(543,265)</u>	<u>2,761,212</u>
Net book value					
At 31 December 2022	<u>238,396</u>	<u>85,990</u>	<u>932,526</u>	<u>-</u>	<u>1,256,912</u>
At 31 December 2021	<u>304,834</u>	<u>82,116</u>	<u>1,129,964</u>	<u>-</u>	<u>1,516,914</u>

The Company does not have intangible assets.
Amortisation is charged to administrative expenses in the Statement of Comprehensive Income.

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Tangible assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2022	6,831,402	47,826,445	132,166	54,790,013
Additions	60,236	2,323,945	75,264	2,459,445
Disposals	(18,972)	(231,874)	(92,165)	(343,011)
Disposal of subsidiary	(133,357)	(3,158,173)	-	(3,291,530)
Revaluations	2,048,354	-	-	2,048,354
Exchange adjustments	473,613	1,801,827	7,431	2,282,871
At 31 December 2022	<u>9,261,276</u>	<u>48,562,170</u>	<u>122,696</u>	<u>57,946,142</u>
Depreciation				
At 1 January 2022	23,543	32,896,910	68,592	32,989,045
Charge for the year on owned assets	246,547	2,667,457	11,877	2,925,881
Disposals	-	-	(44,321)	(44,321)
Disposal of subsidiary	(121,297)	(2,277,740)	-	(2,399,037)
Exchange adjustments	87,619	1,106,073	3,592	1,197,284
At 31 December 2022	<u>236,412</u>	<u>34,392,700</u>	<u>39,740</u>	<u>34,668,852</u>
Net book value				
At 31 December 2022	<u>9,024,864</u>	<u>14,169,470</u>	<u>82,956</u>	<u>23,277,290</u>
At 31 December 2021	<u>6,807,859</u>	<u>14,929,535</u>	<u>63,574</u>	<u>21,800,968</u>

The Company does not hold any fixed assets.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	<u>1,137,562</u>	<u>1,225,502</u>

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Investments

Group

	Investments in financial instruments £
Cost or valuation	
At 1 January 2022	39,750
Disposals	(19,201)
Foreign exchange movement	2,128
At 31 December 2022	<u>22,677</u>
Net book value	
At 31 December 2022	<u>22,677</u>
At 31 December 2021	<u>39,750</u>

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022 (as previously stated)	21,992,478
Prior Year Adjustment	(1,404,724)
	<hr/>
At 1 January 2022 (as restated)	20,587,754
	<hr/>
At 31 December 2022	20,587,754
Impairment	
Charge for the period	1,488,539
	<hr/>
At 31 December 2022	1,488,539
	<hr/>
Net book value	
At 31 December 2022	19,099,215
	<hr/> <hr/>
At 31 December 2021 (as restated)	20,587,754
	<hr/> <hr/>

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Beardow and Adams (Adhesives) Limited	32 Blundells Road, Bradville, Milton Keynes, MK13 7HF	Ordinary	100%
Beardow Adams Inc	3034 Horseshoe Lane Charlotte NC 28208- 6435 U.S.A	Ordinary	100%
Paniker SA	Carretera de la Santa Creu de Calafell 68, 08830 Sant Boi de Llobregat Barcelona SPAIN	Ordinary	82.35%
Beardow Adams AB	Box 365261 23 Landskrona Sweden	Ordinary	100%
Beardow Adams GmbH	Vilbeler Landstraße 20 60386 Frankfurt am Main Germany	Ordinary	100%
Beardow Adams SAS	Cra 13 N° 38 - 65 Bogota Colombia	Ordinary	75%
Beardow Adams OY *	c/o Administer OY Itämerenkatu 500180 Helsingfors Finland	Ordinary	100%
Beardow Adams Do Brasil Adhesivos Ltda *	Alameda Santos, 1177, 7° Floor Jardim Paulista Neighborhood São Paulo, 01420-000 BRAZIL	Ordinary	100%
Beardow Adams Singapore Pte	135 Cecil Street#10-01 MYP Plaza SINGAPORE (069536)	Ordinary	100%
Beardow Adams Hot Melt Werk GmbH*	Kilianstädter Straße 8, 60386 Frankfurt am Main Germany	Ordinary	100%

The principal activity of the subsidiaries was the sale of adhesive products.

During the year, 100% of the ordinary share capital of the indirect subsidiary, Colas Y Adhesives Obrador (Spain), was disposed of (note 30).

* indirect subsidiaries

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Stocks

	Group 2022 £	Group 2021 £
Raw materials and consumables	10,900,628	8,741,491
Work in progress (goods to be sold)	257,341	392,421
Finished goods and goods for resale	4,433,949	7,779,647
	<u>15,591,918</u>	<u>16,913,559</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The Company does not hold stock.

19. Debtors

	Group 2022 £	Group As restated 2021 £	Company 2022 £	Company 2021 £
Trade debtors	17,304,894	18,356,292	-	-
Amounts owed by group undertakings	-	-	657,198	63,830
Other debtors	306,685	945,467	-	-
Prepayments and accrued income	1,027,598	1,322,951	-	-
Deferred taxation	600,109	384,474	-	-
	<u>19,239,286</u>	<u>21,009,184</u>	<u>657,198</u>	<u>63,830</u>

Amounts owed by group undertakings are unsecured, repayable on demand and are subject to an interest rate of 3.5%.

The value of the bad debt provision amounts to £148,562 (2021 - £104,673).

20. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	2,562,845	3,075,358	2,543	2,006
Less: bank overdrafts	(2,793,250)	(3,694,979)	-	-
	<u>(230,405)</u>	<u>(619,621)</u>	<u>2,543</u>	<u>2,006</u>

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. Creditors: Amounts falling due within one year

	Group	Group	Company	Company
	2022	As restated	2022	2021
	£	2021	£	£
		£		
Bank overdrafts	2,793,250	3,694,979	-	-
Bank loans	2,318,307	2,426,851	-	-
Other loans	1,999,999	1,999,999	-	-
Trade creditors	12,853,099	12,421,640	-	-
Amounts owed to group undertakings	-	-	6,347,380	5,350,692
Corporation tax	1,976,680	1,441,664	-	-
Other taxation and social security	538,647	983,074	-	-
Obligations under finance lease and hire purchase contracts	166,741	187,536	-	-
Other creditors	867,904	963,569	-	-
Accruals and deferred income	1,954,606	3,196,643	-	-
	<u>25,469,233</u>	<u>27,315,955</u>	<u>6,347,380</u>	<u>5,350,692</u>

Amounts owed to group undertakings are unsecured, repayable on demand and are subject to an interest rate of 3.5%.

Bank loans are secured by a fixed and floating charge over the assets of the Company.

During 2021, the company restructured the funding facilities, as a result the invoice discounting facility was replaced with an overdraft facility.

22. Creditors: Amounts falling due after more than one year

	Group	Group
	2022	2021
	£	£
Bank loans	11,979,775	14,033,016
Net obligations under finance leases and hire purchase contracts	598,580	795,846
	<u>12,578,355</u>	<u>14,828,862</u>

Bank loans are secured by a fixed and floating charge over the assets of the Company.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

23. Loans

Analysis of the maturity of loans is given below:

	Group 2022 £	Group 2021 £
Amounts falling due within one year		
Bank loans	2,318,307	2,426,851
Other loans	1,999,999	1,999,999
	<u>4,318,306</u>	<u>4,426,850</u>
Amounts falling due 1-2 years		
Bank loans	10,444,759	3,044,158
	<u>10,444,759</u>	<u>3,044,158</u>
Amounts falling due 2-5 years		
Bank loans	1,535,015	10,988,858
	<u>1,535,015</u>	<u>10,988,858</u>
	<u>16,298,080</u>	<u>18,459,866</u>

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £
Within one year	154,773	180,087
Between 1-5 years	598,580	814,432
	<u>753,353</u>	<u>994,519</u>

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

25. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through profit or loss	2,562,845	3,075,358	2,543	2,006
Financial assets that are debt instruments measured at amortised cost	17,515,816	18,521,057	657,197	-
	<u>20,078,661</u>	<u>21,596,415</u>	<u>659,740</u>	<u>2,006</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(35,532,259)</u>	<u>(39,720,078)</u>	<u>(6,347,380)</u>	<u>(5,350,693)</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed to group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, bank loans, other loans, bank overdrafts, other creditors, obligations under finance leases, amounts owed to group undertakings and accruals.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
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26. Deferred taxation

Group

	2022 £	2021 £
At beginning of year	384,474	316,228
Charged to profit or loss	130,170	68,246
At end of year	514,644	384,474

The Company does not have deferred tax.

	Group 2022 £	Group 2021 £
Accelerated capital allowances	72,685	44,652
Short term timing differences	10,397	9,322
Tax losses carried forward	431,562	330,500
Comprising:		
Asset - due within one year	600,109	384,474
Liability	(85,465)	-
	514,644	384,474

27. Provisions

Group

	Provisions £
At 1 January 2022	108,693
Utilised in year	(281,617)
At 31 December 2022	(172,924)

The provision relates to a pension scheme deficit/(surplus) of which the previous owner of Beardow Adams GMBH (formerly Klebstoffwerke Collodin GmbH) is the sole beneficiary.

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
600 (2021 - 600) A Ordinary shares of £1.00 each	600	600
400 (2021 - 400) B Ordinary shares of £1.00 each	400	400
1,000 (2021 - 1,000) C Ordinary shares of £1.00 each	1,000	1,000
	<u>2,000</u>	<u>2,000</u>

The A Ordinary shares and the B Ordinary shares carry full voting rights, dividend and capital distribution rights. C Ordinary shares carry full voting and restricted dividend and capital distribution rights.

29. Reserves

Foreign exchange reserve

The foreign exchange reserve includes all current and prior year period unrealised gains and losses on translation of subsidiaries.

Non-controlling interests

This is the portion of equity not attributable to the parent company.

Profit and loss account

This includes all current and prior periods profit and losses after the payment of dividends.

BEARDOW ADAMS HOLDINGS LTD

NOTES TO THE FINANCIAL STATEMENTS
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30. Disposal of subsidiary undertaking

During the year, 100% of the ordinary share capital of the indirect subsidiary, Colas Y Adhesives Obrador (Spain), was disposed of for proceeds of £555,710, by way of a share for share exchange, and the Group recognised a loss on disposal of £1,471,802.

Colas Y Adhesives Obrador (Spain), previously made sales and purchases within the consolidated group in which the disposed of subsidiary was a member, these transactions are eliminated in full on consolidation.

	£
Consideration	555,710
	<hr/>
	555,710
Net assets disposed of:	
Intangible assets	(179,632)
Tangible assets	(847,152)
Investments	(18,226)
Stocks	(1,229,472)
Debtors	(1,574,277)
Cash	(802,910)
Creditors	2,723,599
Deferred tax	(99,442)
	<hr/>
	2,027,512
	<hr/>
Loss on disposal of subsidiary	1,471,802
	<hr/> <hr/>

The net outflow of cash in respect of the sale of Colas Y Adhesives Obrador (Spain) is as follows:

	£
Cash transferred on disposal	(802,910)
	<hr/>
Net outflow of cash	(802,910)
	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

31. Prior year adjustment

During the year, the following adjustments were required to correct the prior year Group and Company financial statements and these adjustments are detailed below:

Beardow Adams Holdings Limited

Investments in subsidiaries (see note 17)

It was identified that in previous years the Company's investment in Beardow Adams Inc. had been incorrectly retranslated at each reporting date from USD to Pounds Sterling.

An adjustment to decrease investments in subsidiaries by £1,404,724 has been recognised, resulting in the restated cost brought forward of investments in subsidiaries as at 1 January 2022 of £20,587,754, this representing the historical cost of investments in subsidiaries held by the Company.

As a result, as at 1 January 2022, a charge of £1,404,714 has been charged to the Company's profit and loss account and the Company's brought forward Profit and Loss Account has been restated from £16,705,622 to £15,300,898.

This adjustment has no impact on Group results due to the fact that investments in subsidiaries and the adjustments formally posted in respect of the retranslation of the Beardow Adams Inc. investment are eliminated at Group level.

Beardow and Adams (Adhesives) Limited

Corporation tax liability (see note 21)

It was identified that in previous years group relief had been incorrectly claimed from losses surrendered by a fellow group company.

The prior year corporation tax liability, as at 31 December 2021, has been restated from £7,815 to £1,441,664. As a result, an additional tax charge of £1,433,849 has been charged to the Company's Profit and loss account and the Company's brought forward Profit and Loss Account has been restated from £20,677,612 to £19,243,763.

There is no impact on the Consolidated Statement of Comprehensive Income as a result of the adjustment. The impact on the Consolidated Balance Sheet is that net assets have decreased by £1,433,849 and totalled £22,102,223 at 31 December 2021.

Classification of expenses

It was identified that in previous years certain production overheads were incorrectly included within administrative expenses. During the year the Company reviewed this categorisation and consider it appropriate that these costs are classified as cost of sales. For consistency, the comparative financial results (for the year to 31 December 2021) have been restated which has resulted in an increase in cost of sales and a decrease in administrative expenses of £5,958,000. There has been no impact on prior year profits or the Consolidated Balance Sheet as a result of this restatement.

32. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £536,263 (2021 - £560,198). Contributions totalling £38,140 were payable (2021 - £40,187) to the fund at the reporting date.

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
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33. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Land and buildings		
Not later than 1 year	1,497,160	1,422,220
Later than 1 year and not later than 5 years	5,304,630	4,843,095
Later than 5 years	9,786,980	9,713,550
	<u>16,588,770</u>	<u>15,978,865</u>
	Group 2022 £	Group 2021 £
Other		
Not later than 1 year	224,722	438,224
Later than 1 year and not later than 5 years	381,071	931,272
Later than 5 years	273	174
	<u>606,066</u>	<u>1,369,670</u>

The Company had no commitments under non-cancellable operating leases at the balance sheet date.

34. Related party transactions

The Company has taken advantage of the exemption under FRS102 s.33.1a from reporting transactions with wholly owned companies in the group headed by Beardow Adams Holdings Ltd.

At the year end, Mr R Adams, director, has a total amount owing to him of £1,799,999 (2021 - £1,799,999). The loan carries an interest rate of 5% per year.

At the year end, Mr N J Beardow, director, has a total amount owing to him of £200,000 (2021 - £200,000). The loan carries an interest rate of 5% per year.

During the year Beardow and Adams (Adhesives) Limited had sales and purchases of products with the following subsidiaries which are not 100% owned by Beardow Adams Holdings Ltd:

Paniker SA - £4,402,531 (2021 - £4,709,616) and £17,741 (2021 - £24,829) respectively. As at the balance sheet date, Beardow and Adams (Adhesives) Limited was owed £1,954,897 (2021 - £1,309,729).

Beardow Adams SAS - £596,683 (2021 - £370,364). As at the balance sheet date, Beardow and Adams (Adhesives) Limited was owed £295,722 (2021 - £259,879).

The amount payable to key management personnel in the year amounted to £823,242 (2021 - £569,707).

BEARDOW ADAMS HOLDINGS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

35. Post balance sheet events

On 2 May 2023 Beardow Adams Holdings Ltd was acquired by H.B. Fuller Company (NYSE: FUL), the biggest pure play adhesives company in the world. Combining the two companies is an exciting move toward H.B. Fuller's goal of strengthening their leadership position in the markets and regions they serve by expanding our customer base and technology portfolio to address today's megatrends, such as e-commerce, food safety, and sustainability.

On 25th April 2023 Beardow Adams Holdings Ltd disposed of its majority shareholding in Paniker SA.

On 21st April 2023 Beardow Adams Holdings Ltd acquired the minority shareholding in Beardow Adams SAS.

36. Controlling party

The immediate and ultimate parent company is H.B. Fuller Company (NYSE: FUL), a company registered in the United States. The Company's registered address is 1200 Willow Lake Boulevard, St. Paul, MN, United States 55164-0683.