

**HW Plastics Limited**

**Director's report and financial  
statements**

Registered number 00995976

For the 14 month period ended  
31 December 2011

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## Contents

Directors' report	1
Statement of Directors' responsibilities	2
Independent auditor's report to the members of HW Plastics Limited	3
Profit and loss account	5
Balance sheet	6
Reconciliation of movements in shareholders' funds	7
Notes	8

## Directors' report

The directors present the director's report and financial statements for the fourteen month period ended 31 December 2011

### Principal activities

The company's only activity is the lease and sub lease of the Trentham Lakes property

### Business review and proposed dividend

The directors do not recommend the payment of a dividend

A provision of £500,000 has been made in the period for potential property dilapidations which the company may not be able to recover

On 13 January 2012 the company effected a capital reduction in accordance with the provisions of Companies Act 2006, under which the company cancelled 646,318,623 ordinary shares of £0.10 each thereby reducing the company's issued share capital to 5,240,000 ordinary shares of £0.10 each

Subsequent to this capital reduction the company formally waived an amount of £14,239,000 previously due from its immediate parent company Building Plastics (Holdings) Limited. In recognition of this post period end waiver a provision has been made against the inter company receivable due from Building Plastics Holdings Limited at 31 December 2011 to reduce the net receivable down to £1,024,000

In January 2012 the parent company, Building Plastics Holdings Limited, was acquired by Epwin (Holdings) Limited

### Directors and directors' interests

The directors who held office during the period were as follows

S Lees	(Resigned 20 July 2011)
D J Challinor	(Appointed 20 July 2011)
A C Kirk	(Appointed 20 July 2011)
B G Kennedy	(Appointed 11 January 2012)

### Political and charitable contributions

The Company made no political or charitable contributions during the period (2010 nil)

### Disclosure of information to auditors

The directors who held office at the date of approval of this director's report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

A C Kirk  
Director

26 September 2012

4 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Gloucestershire  
United Kingdom  
GL51 9TX

## **Statement of Directors' responsibilities in respect of the directors' report and the financial statements**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## **Independent auditor's report to the members of HW Plastics Limited**

We have audited the financial statements of HW Plastics Limited for the fourteen month period ended 31 December 2011 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the 14 month period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

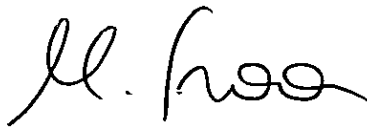
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of HW Plastics Limited (continued)**

### **Matters on which we are required to report by exception**

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

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



**M Froom (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

~~26~~ September 2012

27

**Profit and loss account**  
*for the 14 month period ended 31 December 2011*

		<b>14 months ended 31 December 2011 £000</b>	<b>Year ended 31 October 2010 £000</b>
	<i>Note</i>		
<b>Turnover</b>	2	<b>877</b>	718
<b>Gross profit</b>		<b>877</b>	718
Administrative expenses before exceptional items		<b>(877)</b>	(718)
<b>Operating profit before exceptional administrative items</b>		<b>-</b>	-
Provisions for liabilities and charges	3	<b>(500)</b>	-
Exceptional debtor write off	3	<b>(14,239)</b>	-
<b>Loss on ordinary activities before taxation</b>		<b>(14,739)</b>	-
Tax on profit on ordinary activities	5	<b>-</b>	-
<b>Loss on ordinary activities after taxation and retained for the financial period</b>	10	<b>(14,739)</b>	-

The Company has no recognised gains or losses in either the current or preceding period other than those presented above and therefore no statement of total recognised gains and losses has been presented

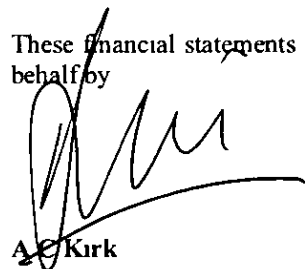
The notes on pages 8 to 11 form part of these financial statements

**Balance sheet**  
*at 31 December 2011*

	<i>Note</i>	<b>31 December</b>		<b>31 October</b>	
		<b>2011</b>	<b>2011</b>	<b>2010</b>	<b>2010</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Current assets</b>					
Debtors	6	1,225		15,263	
Cash and bank		-		-	
		<hr/>		<hr/>	
		1,225		15,263	
<b>Creditors</b> amounts falling due within one year	7	(201)		-	
		<hr/>		<hr/>	
<b>Net current assets</b>			1,024		15,263
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,024		15,263
			<hr/>		<hr/>
Provisions for liabilities and charges	8	(500)		-	
		<hr/>		<hr/>	
<b>Net assets</b>			524		15,263
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	10	65,156		65,156	
Share premium account	11	45,172		45,172	
Profit and loss account	11	(109,804)		(95,065)	
		<hr/>		<hr/>	
<b>Equity shareholders' funds</b>			524		15,263
			<hr/>		<hr/>

The notes on pages 8 to 11 form part of the financial statements

These financial statements were approved by the board of directors on 26 September 2012 and were signed on its behalf by



A.C. Kirk  
Director



**Reconciliation of movements in shareholders' funds**  
*for the 14 month period ended 31 December 2011*

	14 months ended 31 December 2011 £000	Year ended 31 October 2010 £000
Loss for the financial period	(14,739)	-
Net reduction in shareholders' funds	(14,739)	-
Opening shareholders' funds	15,263	15,263
Closing shareholders' funds	524	15,263

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting rules

The company has taken advantage of the exemption contained in FRS1 'Cash Flow Statements' not to prepare a cash flow statement on the grounds that the ultimate parent undertaking, Building Plastics (Holdings) Limited prepares publicly available consolidated financial statements in which the results of the company are included

#### *Taxation*

The charge for taxation is based on the profit or loss for the fourteen month period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

#### *Turnover*

Turnover which is stated net of value added tax, comprises amounts invoiced and is attributable to the continuing activity of the company

#### *Going Concern*

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements

### 2 Turnover

Turnover, which is stated net of value added tax, comprises amounts invoiced to third parties and is attributable to the one continuing activity of the company

An analysis of turnover by geographical market is given below

	14 months ended 31 December 2011 £000	Year ended 31 October 2010 £000
United Kingdom	877	718
	<hr/> 877 <hr/>	<hr/> 718 <hr/>

## Notes (continued)

### 3 Loss on ordinary activities before taxation

	14 months ended 31 December 2011 £000	Year ended 31 October 2010 £000
<i>Loss on ordinary activities before taxation is stated after charging/(crediting)</i>		
Auditors' remuneration	-	-
Property dilapidations provision	(500)	-
Exceptional debtor provision	(14,239)	-
	<u>          </u>	<u>          </u>

Auditors' remuneration is paid by the parent company, Building Plastics Holdings Limited

### 4 Remuneration of directors

No remuneration was paid and no staff were employed in either the current or the prior year

### 5 Taxation

*Analysis of charge for the 14 month period*

	14 months ended 31 December 2011 £000	Year ended 31 October 2010 £000
<i>Current tax</i>		
UK corporation tax	-	-
	<u>          </u>	<u>          </u>
Total current tax		
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	-	-
	<u>          </u>	<u>          </u>

*Factors affecting the tax charge for the current period*

	14 months ended 31 December 2011 £000	Year ended 31 October 2010 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(14,739)	-
	<u>          </u>	<u>          </u>
Current tax at 26% (2010 28%)	(3,832)	-
	<u>          </u>	<u>          </u>
<i>Effects of</i>		
Items disallowable for tax purposes	3,832	-
	<u>          </u>	<u>          </u>
Total current tax	-	-
	<u>          </u>	<u>          </u>

*Factors that may affect future charges*

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and a further reduction to 24% (effective from 1 April 2012) was substantively enacted on 30 March 2012.

This will reduce the company's future current tax charge accordingly but have no effect on deferred taxation as deferred tax has not been recognised.

## 6 Debtors

	31 December 2011 £000	31 October 2010 £000
Amounts owed by group companies	1,024	15,263
Prepayments and accrued income	201	-
	<u>1,225</u>	<u>15,263</u>

## 7 Creditors

	31 December 2011 £000	31 October 2010 £000
Accruals and deferred income	201	-
	<u>201</u>	<u>-</u>

These amounts are owed by the company's immediate parent company, Building Plastics Holdings Limited.

## 8 Provisions

	Property dilapidations £000
At 31 October 2010	-
Charge in the period	500
At 31 December 2011	<u>500</u>

The provision is expected to be utilised within 5 years.

## 9 Commitments

	31 December 2011		31 October 2010	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating leases which expire in two to five years	718	-	718	-
	<u>718</u>	<u>-</u>	<u>718</u>	<u>-</u>

These amounts are owed by the company's immediate parent company, Building Plastics Holdings Limited

## 10 Share capital

	31 December 2011 £000	31 October 2010 £000
<i>Authorised</i>		
Equity 920,000,000 ordinary shares of £0.10 each	92,000	92,000
	<u>92,000</u>	<u>92,000</u>
<i>Allotted, called up and fully paid</i>		
Equity 651,558,623 ordinary shares of £0.10 each	65,156	65,156
	<u>65,156</u>	<u>65,156</u>

## 11 Reconciliation of shareholders' funds and movements on reserves

	Share capital £000	Share premium £000	Profit and loss account £000	Total £000
At 31 October 2010	65,156	45,172	(95,065)	15,263
Loss for the period	-	-	(14,739)	(14,739)
	<u>65,156</u>	<u>45,172</u>	<u>(109,804)</u>	<u>524</u>
At 31 December 2011	65,156	45,172	(109,804)	524

## 12 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Building Plastics Holdings Limited, the immediate parent company, incorporated in England. The largest group in which the results of the Company are consolidated is that headed by Building Plastics Holdings Limited. At the balance sheet date the Company was under the ultimate control of Mr B Kennedy, due to his controlling interest in the parent company. No other group financial statements include the results of the Company. The consolidated financial statements of this company are available to the public and may be obtained from 4 Manor Park Business Centre, Mackenzie Way, Cheltenham, Gloucestershire GL51 9TX.

## 13 Subsequent event

In January 2012 the parent company, Building Plastics Holdings Limited, was acquired by Epwin (Holdings) Limited. Following the acquisition by Epwin (Holdings) Limited in January 2012, the company became party to a cross company guarantee secured by a fixed and floating charge over its assets.