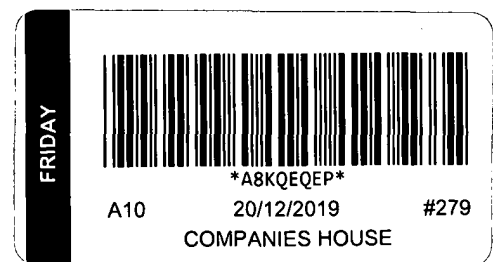


Spiroflow Limited
Company Registration Number 01210198
Annual Report and Financial Statements
Year ended 31 March 2019




Spiroflow Limited
Annual Report and Financial Statements
Company Registration Number 01210198
Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	4	173,785	261,925
Investments	5	<u>4</u>	<u>5,004</u>
		173,789	266,929
Current assets			
Stocks	6	308,449	249,780
Debtors	7	2,021,330	961,177
Cash at bank and in hand		<u>932,561</u>	<u>24,371</u>
		3,262,340	1,235,328
Creditors: Amounts falling due within one year	8	<u>(3,070,153)</u>	<u>(1,119,856)</u>
Net current assets		<u>192,187</u>	<u>115,472</u>
Total assets less current liabilities		365,976	382,401
Creditors: Amounts falling due after more than one year	8	(12,085)	(42,474)
Provisions for liabilities		<u>(18,474)</u>	<u>(23,681)</u>
Net assets		<u>335,417</u>	<u>316,246</u>
Capital and reserves			
Called up share capital	10	80,067	80,067
Capital redemption reserve		19,933	19,933
Profit and loss account		<u>235,417</u>	<u>216,246</u>
		<u>335,417</u>	<u>316,246</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These financial statements were approved and authorised for issue by the Board on 17/12/19 and signed on its behalf by:


J Podevyn
Director

1 General information

Spiroflow Limited is a private company limited by shares and incorporated in England and Wales under company number 01210198.

The address of its registered office and principal place of business is:
Lincoln Way
Clitheroe
Lancashire
BB7 1QG

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 (2015) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified, where appropriate, to include certain items at fair value. The presentation currency is £ sterling.

Going concern

Having carried out a detailed review of the company's resources and the challenges presented by the current economic climate, the directors are confident that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Group accounts not prepared

The company is part of a small group. The company has taken advantage of the exemption provided by section 399 of the Companies Act 2006 and has not prepared group accounts.

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. This is usually when the goods have been delivered to customers.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. If at the balance sheet date completion of the contract is dependent on external factors, then the revenue is recognised only when the event occurs. In such cases direct costs incurred up to the balance sheet date plus an overhead rate are recognised as revenue to the extent that they are recoverable.

Pension contributions

The company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Leasehold property improvements	Life of lease
Plant & machinery	15%-25% straight line basis
Furniture, fittings and equipment	15% straight line basis
Motor vehicles	25% straight line basis

Impairment of fixed assets

At the balance sheet date, if there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account. The reversal of an impairment loss is recognised immediately in the profit and loss account.

Investments

Investments in equity shares which are not publicly traded are measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and an appropriate proportion of overhead expenses.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash at bank and in hand

Cash at bank and in hand comprises cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Foreign currency

Transactions in foreign currency are translated at the spot rate at the date of the transactions. Assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at the balance sheet date. All exchange differences are taken to the profit and loss account.

Hire purchase and leasing

Fixed assets acquired under finance leases and hire purchase contracts are included in the balance sheet at cost and an appropriate provision made for depreciation. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest attributable to each period is charged to the profit and loss account.

3 Employees

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

	2019 No.	2018 No.
Employees	<u>37</u>	<u>38</u>

4 Tangible fixed assets

	Leasehold property improvements £	Plant and machinery £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2018	59,231	283,344	82,521	317,355	742,451
Additions	-	44,772	3,864	-	48,636
Disposals	-	(23,222)	-	(53,509)	(76,731)
At 31 March 2019	<u>59,231</u>	<u>304,894</u>	<u>86,385</u>	<u>263,846</u>	<u>714,356</u>
Depreciation					
At 1 April 2018	29,056	226,476	72,160	152,834	480,526
Charge for the year	8,885	31,167	4,314	46,209	90,575
Eliminated on disposal	-	(2,332)	-	(28,198)	(30,530)
At 31 March 2019	<u>37,941</u>	<u>255,311</u>	<u>76,474</u>	<u>170,845</u>	<u>540,571</u>
Net book value					
At 31 March 2018	<u>30,175</u>	<u>56,868</u>	<u>10,361</u>	<u>164,521</u>	<u>261,925</u>
At 31 March 2019	<u>21,290</u>	<u>49,583</u>	<u>9,911</u>	<u>93,001</u>	<u>173,785</u>

5 Fixed asset investments

	2019 £	2018 £
Investments in subsidiaries	4	4
Investment in joint venture	-	5,000
	<u>4</u>	<u>5,004</u>
Subsidiary undertakings		£
Cost		
At 1 April 2018 and 31 March 2019		<u>4</u>
Carrying amount		
At 31 March 2019		<u>4</u>
At 31 March 2018		<u>4</u>
Joint venture		£
Cost		
At 1 April 2018 and 31 March 2019		5,000
Provision		
At 1 April 2018		-
Provision charge		<u>5,000</u>
At 31 March 2019		<u>5,000</u>
Carrying amount		
At 31 March 2019		<u>-</u>
At 31 March 2018		<u>5,000</u>

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Description of holding	Proportion of holding	Principal activity
Subsidiary undertakings			
Spiroflow UK Limited	Ordinary	100%	Dormant
Spiroflow Powder Handling Limited	Ordinary	100%	Dormant
Spiroflow Horizon Systems Limited	Ordinary	100%	Dormant
Joint venture			
Spiroflow Fabcon Conveyor Systems Pty Ltd (a company incorporated in India)	Ordinary	50%	Bulk handling equipment for dry solids

6 Stocks

	2019 £	2018 £
Raw materials	290,904	240,777
Work in progress	17,545	9,003
	<u>308,449</u>	<u>249,780</u>

7 Debtors

	2019 £	2018 £
Trade debtors	1,684,519	765,834
Amounts recoverable on contracts	84,337	48,835
Other debtors	164,568	77,053
Prepayments	87,906	69,455
	<u>2,021,330</u>	<u>961,177</u>

8 Creditors:

Amounts falling due within one year

	2019 £	2018 £
Bank overdraft	-	21,589
Hire purchase liabilities	23,050	36,483
Trade creditors	441,517	532,950
Social security and other taxes	233,606	48,083
Amounts owed to group undertakings	-	17,129
Other creditors	2,232,726	310,623
Corporation tax	4,744	-
Accruals	134,510	152,999
	<u>3,070,153</u>	<u>1,119,856</u>

Amounts falling due after more than one year

Hire purchase liabilities	<u>12,085</u>	<u>42,474</u>
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9 Security

The bank overdraft of £nil (2018: £21,589) is secured.

Hire purchase liabilities totalling £35,135 (2018: £78,957) are secured by the finance company's title to the assets financed.

10 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
A ordinary shares of £1 each	38,067	38,067	38,067	38,067
B ordinary shares of £1 each	37,400	37,400	37,400	37,400
D ordinary shares of £1 each	4,600	4,600	4,600	4,600
	<u>80,067</u>	<u>80,067</u>	<u>80,067</u>	<u>80,067</u>

Share rights

The separate share classes rank pari passu in all respects. The directors have the power to vote varying amounts of dividends on the different classes of shares.

11 Leasing commitments

Operating leases

The total of future minimum operating lease payments is as follows:

	2019 £	2018 £
Within one year	58,333	70,000
Between one and five years	<u>-</u>	<u>58,333</u>
	<u>58,333</u>	<u>128,333</u>

12 Related party transactions

Summary of transactions with other related parties

In accordance with FRS102, no disclosures have been made relating to transactions between group members where the subsidiaries are wholly owned.

Certain directors have provided security, via property owned in a company which has common directors and shareholders, for the bank overdraft.

13 Parent company

The company's parent company is Solids & Powder Handling Limited, a company incorporated in England and Wales. Its ultimate parent company is Spiroflow Holdings Inc, a company registered in the United States of America.

14 Audit information

The option not to file the Audit Report has been taken. However, the following information is relevant:

- The report was unqualified; and
- There were no matters to which the auditor drew attention by way of emphasis.

The auditors were Brown Butler and the senior statutory auditor, who signed the report, was Denis Cross.