

Company Registration No. 01904016 (England and Wales)

WORGAS BURNERS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
PAGES FOR FILING WITH REGISTRAR



WORGAS BURNERS LIMITED

COMPANY INFORMATION

Directors	Mr F Pisano Mr M J Carter
Company number	01904016
Registered office	Unit 3 Wincobank Way South Normanton Derbyshire DE55 2FX
Auditor	BDO LLP Regent House Clinton Avenue Nottingham Nottinghamshire NG5 1AZ
Business address	Unit 3 Wincobank Way South Normanton Derbyshire DE55 2FX

WORGAS BURNERS LIMITED

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WORGAS BURNERS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
Fixed assets			
Goodwill	6	3	3
Other intangible assets	6	4,181	12,831
Total intangible assets		4,184	12,834
Tangible assets	7	556,285	540,951
		560,469	553,785
Current assets			
Stocks	8	910,286	838,194
Debtors	9	2,266,724	2,082,826
Cash at bank and in hand		262,264	220,098
		3,439,274	3,141,118
Creditors: amounts falling due within one year	10	(2,054,761)	(2,065,583)
Net current assets		1,384,513	1,075,535
Total assets less current liabilities		1,944,982	1,629,320
Deferred taxation		(71,612)	(64,978)
Net assets		1,873,370	1,564,342
Capital and reserves			
Called up share capital	12	517,500	517,500
Profit and loss reserves		1,355,870	1,046,842
Total equity		1,873,370	1,564,342

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS102 1A - small entities.

The financial statements were approved by the board of directors and authorised for issue on 05/06/2018 and are signed on its behalf by:

Mr F Pisano
Director
Company Registration No. 01904016

The notes on pages 8 to 16 form part of these financial statements.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

Company information

Worgas Burners Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 3, Wincobank Way, South Normanton, Derbyshire, DE55 2FX. The nature of the company's operations and its principal activities are set out in the directors' report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of the financial statements in compliance with section 1A of FRS 102 requires certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (note 2).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Beckett Gas International Limited as at 31 December 2017. These consolidated financial statements are available from Companies House.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.3 Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Patents	20% straight line
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1.4 Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses. The company has a policy to write off any items costing less than £500 through the profit and loss account.

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

Plant and machinery	15% reducing balance/ 50% straight line
Fixtures, fittings & equipment	15% reducing balance/ 20% straight line
Motor vehicles	30% reducing balance

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

1.5 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Share capital

Share capital issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

1.11 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. The assets of the scheme are held separately from those of the company in an independently administered fund.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

(Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

2 Judgements in applying accounting policies and key sources of accounting estimation uncertainty

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The following estimates and judgements have the most significant effect on the carrying amounts of assets and liabilities within the financial statements are discussed below:

Amortisation of intangible fixed assets

Intangible fixed assets are amortised over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation and management considerations. In assessing the residual values, the remaining life of the asset and future market conditions are taken into account. Details on intangible fixed assets can be found in note 7.

Depreciation

Tangible fixed assets are depreciated over their useful life taking into account, where appropriate, residual values. Assessment of useful lives and residual values are performed annually, taking into account factors such as technological innovation, maintenance programmes and management considerations. In assessing the residual values, the remaining life of the asset, its projected disposal value and future market conditions are taken into account. Details on tangible fixed assets can be found in note 8.

Impairment of intangible and tangible fixed assets

The directors assess whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets and investments.

Stock provision and valuation

Stock provisions include obsolescence, slow moving and defective items which take into account the results from stock counts and represent the expected write-down between the estimated net realisable value and original cost. Net realisable value represents the estimated selling price less all estimated costs of completion and costs of disposal. Details on stock can be found in note 9.

Provisions against trade debtors

Bad debt provisions are made by the directors based on the age of the unpaid debtor and the terms of trade. Details on trade debtors can be found in note 10.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 48 (2016 - 50).

4 Directors' remuneration

During the year no director received any emoluments (2016: £nil).

The directors receive remuneration from other companies within the group and a management charge is made from these related companies of £23,276 (2016: £23,276) in respect of their services to the company.

The directors of the company are also deemed to be the key management personnel.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

5 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	54,987	100,274
Adjustments in respect of prior periods	(32,210)	3,156
Total current tax	<u>22,777</u>	<u>103,430</u>
Deferred tax		
Origination and reversal of timing differences	<u>6,634</u>	<u>(9,920)</u>
Total tax charge	<u>29,411</u>	<u>93,510</u>

6 Intangible fixed assets

	Goodwill £	Patents £	Total £
Cost			
At 1 January 2017 and 31 December 2017	<u>3</u>	<u>43,248</u>	<u>43,251</u>
Amortisation and impairment			
At 1 January 2017	-	30,417	30,417
Amortisation charged for the year	-	8,650	8,650
At 31 December 2017	<u>-</u>	<u>39,067</u>	<u>39,067</u>
Carrying amount			
At 31 December 2017	<u>3</u>	<u>4,181</u>	<u>4,184</u>
At 31 December 2016	<u>3</u>	<u>12,831</u>	<u>12,834</u>

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

7 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2017	1,247,084	194,792	20,945	1,462,821
Additions	109,825	34,801	-	144,626
At 31 December 2017	1,356,909	229,593	20,945	1,607,447
Depreciation and impairment				
At 1 January 2017	828,812	75,082	17,976	921,870
Depreciation charged in the year	94,255	34,167	870	129,292
At 31 December 2017	923,067	109,249	18,846	1,051,162
Carrying amount				
At 31 December 2017	433,842	120,344	2,099	556,285
At 31 December 2016	418,272	119,710	2,969	540,951

8 Stocks

	2017 £	2016 £
Stocks	910,286	838,194
	<u>910,286</u>	<u>838,194</u>

The stock figure is net of a provision for slow moving and obsolete stock totalling £51,289 (2016: £50,443).

9 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	2,164,400	1,963,407
Amounts due from group undertakings	1,823	44,575
Other debtors	100,501	74,844
	<u>2,266,724</u>	<u>2,082,826</u>

Trade debtors have no provision for bad debts at the year end (2016: £15,855).

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	715,037	564,843
Amounts due to group undertakings	401,298	556,239
Corporation tax	54,987	100,273
Other taxation and social security	160,935	188,538
Other creditors	722,504	655,690
	<u>2,054,761</u>	<u>2,065,583</u>

Other creditors includes amounts of £593,978 which are secured by a guarantee given by another group company (2016: £587,983).

11 Deferred tax

	2017 £	2016 £
Deferred tax liabilities	71,612	64,978
	<u>71,612</u>	<u>64,978</u>

12 Called up share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid		
517,500 Ordinary shares of £1 each	517,500	517,500
	<u>517,500</u>	<u>517,500</u>

13 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The auditor was BDO LLP.

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

14 Operating lease commitments

Lessee

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

2017	2016
£	£
1,100,000	1,267,548
<u>1,100,000</u>	<u>1,267,548</u>

Lease payments recognised as an expense in the year total £167,548 (2016: £167,548).

WORGAS BURNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

15 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption in accordance with Section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking to which it is party to the transactions and consolidated accounts are prepared.

16 Parent company

The company's immediate parent is Beckett Gas International Limited, a company incorporated in England and Wales. The ultimate parent undertaking is Beckett Gas Inc., a company incorporated in the USA.