

Financial Statements for the Year Ended 31 December 2016

for

Hygienic Pigging Systems Limited

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Hygienic Pigging Systems Limited

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for the Year Ended 31 December 2016

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Hygienic Pigging Systems Limited

Company Information
for the Year Ended 31 December 2016

DIRECTORS:

G Murphy
J Morris
J Hemans
S T Ker
D Learmond

SECRETARY:

S T Ker

REGISTERED OFFICE:

Unit 46 Evelyn Street
Beeston
Nottinghamshire
NG9 2EU

REGISTERED NUMBER:

02974969 (England and Wales)

AUDITORS:

EBS Chartered Accountants
Gothic House
Barker Gate
Nottingham
Nottinghamshire
NG1 1JU

Statement of Financial Position
31 December 2016

| | Notes | 31.12.16 £ | £ | 31.12.15 £ | £ |
|--|-------|------------------|-----------------------|------------------|-----------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | 4,014 | | 6,640 |
| Property, plant and equipment | 5 | | 110,257 | | 73,594 |
| Investments | 6 | | 14,025 | | 14,025 |
| | | | <u>128,296</u> | | <u>94,259</u> |
| CURRENT ASSETS | | | | | |
| Inventories | | 268,019 | | 245,027 | |
| Debtors | 7 | 793,543 | | 518,590 | |
| Cash at bank and in hand | | 297,125 | | 580,102 | |
| | | <u>1,358,687</u> | | <u>1,343,719</u> | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 8 | 782,592 | | 547,079 | |
| NET CURRENT ASSETS | | | <u>576,095</u> | | <u>796,640</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>704,391</u> | | <u>890,899</u> |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 9 | | - | | (6,383) |
| PROVISIONS FOR LIABILITIES | | | <u>(20,061)</u> | | <u>(13,965)</u> |
| NET ASSETS | | | <u><u>684,330</u></u> | | <u><u>870,551</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 116 | | 116 |
| Share premium | 10 | | 99,984 | | 99,984 |
| Retained earnings | 10 | | 584,230 | | 770,451 |
| SHAREHOLDERS' FUNDS | | | <u><u>684,330</u></u> | | <u><u>870,551</u></u> |

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 19 June 2017 and were signed on its behalf by:



S T Ker - Director

1. STATUTORY INFORMATION

Hygienic Pigging Systems Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

Patents

Patents are valued at cost less accumulated amortisation.

Patents are amortised over their estimated useful life.

Tangible fixed assets

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

| | |
|-------------------------|---|
| Land and buildings | - 10% on cost |
| Plant and machinery etc | - 33% on cost and 25% on reducing balance |

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing inventories to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

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

Foreign currencies

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

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Preparation of consolidated financial statements

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

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 26.

4. INTANGIBLE FIXED ASSETS

| | Other intangible assets £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 January 2016 | |
| and 31 December 2016 | 72,470 |
| AMORTISATION | |
| At 1 January 2016 | 65,830 |
| Charge for year | 2,626 |
| At 31 December 2016 | 68,456 |
| NET BOOK VALUE | |
| At 31 December 2016 | 4,014 |
| At 31 December 2015 | 6,640 |

5. PROPERTY, PLANT AND EQUIPMENT

| | Land and buildings £ | Plant and machinery etc £ | Totals £ |
|-----------------------|----------------------------|------------------------------------|-------------|
| COST | | | |
| At 1 January 2016 | 54,278 | 217,963 | 272,241 |
| Additions | 14,351 | 47,332 | 61,683 |
| At 31 December 2016 | 68,629 | 265,295 | 333,924 |
| DEPRECIATION | | | |
| At 1 January 2016 | 17,261 | 181,386 | 198,647 |
| Charge for year | 5,792 | 19,228 | 25,020 |
| At 31 December 2016 | 23,053 | 200,614 | 223,667 |
| NET BOOK VALUE | | | |
| At 31 December 2016 | 45,576 | 64,681 | 110,257 |
| At 31 December 2015 | 37,017 | 36,577 | 73,594 |

6. **FIXED ASSET INVESTMENTS**

| | Other investments £ |
|---|---------------------------|
| COST | |
| At 1 January 2016 and 31 December 2016 | 14,025 |
| NET BOOK VALUE | |
| At 31 December 2016 | 14,025 |
| At 31 December 2015 | 14,025 |

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

HPS (Australasia) PTY Ltd
Country of incorporation : Australia
Nature of business : Sales agent

| | |
|------------------|--------------|
| Class of shares: | % holding |
| Ordinary | 100.00 |

| | 31.12.16 £ | 31.12.15 £ |
|--------------------------------|---------------|---------------|
| Aggregate capital and reserves | 68,357 | 42,964 |
| Profit for the year | 17,870 | 22,316 |

HPS LLC
Country of incorporation: USA
Nature of business: Sales Agent

| | |
|-----------------|--------------|
| Class of shares | % holding |
| Ordinary | 100.00 |

| | 31.12.16 £ | 31.12.15 £ |
|--------------------------------|---------------|---------------|
| Aggregate capital and reserves | (24,796) | 2,608 |
| Loss/profit for the year | (27,913) | 432 |

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 31.12.16 £ | 31.12.15 £ |
|------------------------------------|---------------|---------------|
| Trade debtors | 698,278 | 393,745 |
| Amounts owed by group undertakings | 40,676 | 60,406 |
| Other debtors | 54,589 | 64,439 |
| | 793,543 | 518,590 |

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

| | 31.12.16 £ | 31.12.15 £ |
|---|---------------|---------------|
| Bank loans and overdrafts | 3,232 | 20,570 |
| Hire purchase contracts | 6,245 | - |
| Trade creditors | 301,200 | 183,739 |
| Amounts owed to participating interests | 6,487 | 16,965 |
| Taxation and social security | 15,950 | 73,486 |
| Other creditors | 449,478 | 252,319 |
| | 782,592 | 547,079 |

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

The hire purchase liabilities at the year end are secured by the assets to which they relate.

The loan is secured by a debenture over the assets and undertakings of the company.

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

| | 31.12.16 £ | 31.12.15 £ |
|-----------------|---------------|---------------|
| Bank loans | - | 4,463 |
| Other creditors | - | 1,920 |
| | <u>-</u> | <u>6,383</u> |

10. **RESERVES**

| | Retained earnings £ | Share premium £ | Totals £ |
|----------------------|---------------------------|-----------------------|----------------|
| At 1 January 2016 | 770,451 | 99,984 | 870,435 |
| Deficit for the year | (26,065) | | (26,065) |
| Dividends | (160,156) | | (160,156) |
| At 31 December 2016 | <u>584,230</u> | <u>99,984</u> | <u>684,214</u> |

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Jill Evenden (Senior Statutory Auditor)
for and on behalf of EBS Chartered Accountants

12. **RELATED PARTY DISCLOSURES**

During the year the company traded with the following businesses who are deemed to be related parties:

HPS (Australasia) PTY Limited

The company traded with HPS (Australasia) PTY Limited a 100% subsidiary company, on normal commercial terms. During the year the company made sales to HPS (Australasia) PTY Limited of £123,261 (2015 - £151,072). The total amount due to the company on normal trading terms at the year end is £35,900 (2015 - £55,936).

Hygienic Pigging Services Limited

As at 31 December 2016 £4,775 (2015 - £4,376) is owed to the company from Hygienic Pigging Services Limited which is the company's parent company.

HPS LLC

AS at 31 December 2016 £6,487 (2015 - £16,965) was owed to HPS LLC by the company. During the year the company made purchases from HPS LLC of £189,540 (2015 - £46,843) respectively.

Brools Limited

The company traded with Brools Limited of which S Olszok is a director, on normal commercial terms. During the year the company purchased goods with a value of £8,610 (2015 - £17,398). As at 31 December 2016 £nil (2015 - £nil) was owed to Brools Limited.

13. **ULTIMATE CONTROLLING PARTY**

The directors of the parent company, Hygienic Pigging Services Limited, control the company by virtue of its shareholding. The address of the parent company is the registered office of Hygienic Pigging Systems Limited shown on page 1.

14. PENSION COMMITMENTS

The company operates a defined contribution pension scheme and during the year it made contributions to employees schemes of £26,508 (2015 - £13,326).

There were no outstanding or prepaid contributions at the balance sheet date.

15. CONTINGENT LIABILITIES

A fixed and floating charge over all the assets was also outstanding at the year end for Clydesdale Bank PLC which was registered on 1 December 2010 by way of debenture. The amount secured is all monies due or to become due from the company to the charge on any accounts whatsoever.

16. FIRST YEAR ADOPTION

First year adoption of FRS102 was applied for the year ended 31 December 2016. There are no reclassifications required during this year.