

Registered Number 3034114

Heptagon Limited
Annual report
for the year ended 31 March 2017

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Heptagon Limited

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Heptagon Limited

Directors and advisers for the year ended 31 March 2017

Directors

T W Minett

D Wake

Company secretary and registered office

S Armitage

Westthorpe Fields Road

Killamarsh

Sheffield

S21 1TZ

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

1 St. Paul's Place

121 Norfolk Street

Sheffield

S1 2LE

Solicitors

DLA Piper UK LLP

1 St Paul's Place

121 Norfolk Street

Sheffield

S1 2JX

Bankers

Lloyds Bank plc

14 Church Street

Sheffield

S1 1HP

Heptagon Limited

Strategic report for the year ended 31 March 2017

The directors present the strategic report for the year ended 31 March 2017.

Review of business and future developments

The profit and loss account for the year is set out on page 7. The directors consider the year end financial position to remain satisfactory. The group is managed and the strategy set at a group level rather than at an individual business unit level, therefore further review of the business, future developments and consideration of financial and non financial KPI's are included in the financial statements of CPL Industries Group Limited.

Principle risks and uncertainties

The directors of CPL Industries Group Limited manage the group's strategy and risks at a group level and operations are managed on a divisional basis, rather than at an individual business unit level. For this reason, the company's directors believe that discussion of the group's strategy, risks and uncertainties is not necessary or appropriate for an understanding of the development, performance or position of the company's business. The principal risks and uncertainties of the group, which include those of the company, are discussed in the strategic report in the group's report and financial statements which do not form part of this report. The principle risk to the company is the financial performance of its subsidiaries.

Financial key performance indicators

The directors of CPL Industries Group Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that an analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Heptagon Limited. The development, performance and position of the company are discussed on page 2 of the group's annual report, which does not form part of this report.

Employment policies

The company does not have any employees.

Approved and signed on behalf of the board



D Wake
Director
1 September 2017

Heptagon Limited

Directors' report for the year ended 31 March 2017

The directors present their annual report and the audited financial statements of the company for the year ended 31 March 2017.

Principal activities

The company operates as a holding company.

Dividends

No dividends were declared or settled during the year ended 31 March 2017 (2016: £nil). A dividend of £6,174,805 was declared and settled in full on 1 June 2017 and was facilitated by the receipt of a dividend of £16,238,957 from CPL Distribution Limited, a subsidiary undertaking.

Going Concern

At 31 March 2017 the company has net liabilities of £58,000 (2016: £58,000). The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of CPL Industries Group Limited.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

T W Minett
D Wake

In accordance with the Articles of Association, the directors are not required to retire by rotation.

Financial risk management

Details of the company's financial risk management policies are noted in the financial statements of CPL Industries Group Limited.

Independent auditors and disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Relevant information is defined as information needed by the company's auditors in connection with preparing the report. The directors have taken all the steps (such as making enquiries of the auditors and any other steps required by the directors' duty to exercise due care, skill and diligence) that they ought to have taken in their duty as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

A resolution to reappoint the auditors PricewaterhouseCoopers LLP will be proposed at the next general meeting.

On behalf of the board



D Wake
Director
1 September 2017

Heptagon Limited

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is 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 a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



D Wake
Director
1 September 2017

Heptagon Limited

Independent auditors' report to the members of Heptagon Limited

Report on the financial statements

Our opinion

In our opinion, Heptagon Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its result 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.

What we have audited

The financial statements, included within the Annual report (the "Annual Report"), comprise:

- the Balance sheet as at 31 March 2017;
- the Profit or loss account for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Heptagon Limited

Independent auditors' report to the members of Heptagon Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities 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.

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

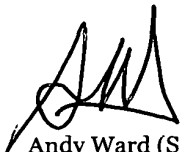
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Andy Ward (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Sheffield
1 September 2017

Heptagon Limited

Profit and loss account for the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Result on ordinary activities before taxation	3	-	-
Tax on result on ordinary activities	4	-	-
Result for the financial year		-	-

All amounts relate to continuing operations.

There is no material difference between the result on ordinary activities before taxation and the result for the financial years stated above, and their historical cost equivalents.

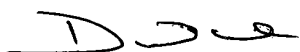
The company has no recognised other comprehensive income other than the result above and therefore no separate statement of other comprehensive income has been prepared.

Heptagon Limited

Balance sheet as at 31 March 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Investments	6	29,387	29,387
Current liabilities			
Amounts owed to group undertakings	7	(29,445)	(29,445)
Net current liabilities		(29,445)	(29,445)
Total assets less current liabilities		(58)	(58)
Capital and reserves			
Called up share capital	8	1,004	1,004
Share premium account		8,981	8,981
Capital redemption reserve		21	21
Profit and loss account		(10,064)	(10,064)
Total shareholders' deficit		(58)	(58)

The financial statements on pages 7 to 16 were approved by the board on 1 September 2017 and were signed on its behalf by:



D Wake
Director
Heptagon Limited
Registered number: 3034114

Heptagon Limited

Statement of changes in equity for the year ended 31 March 2017

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total shareholders' deficit
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2015	1,004	8,981	21	(10,064)	(58)
Result for the financial year	-	-	-	-	-
Balance at 31 March 2016	1,004	8,981	21	(10,064)	(58)
Balance at 1 April 2016	1,004	8,981	21	(10,064)	(58)
Result for the financial year	-	-	-	-	-
Balance at 31 March 2017	1,004	8,981	21	(10,064)	(58)

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

1 Accounting policies

Statement of compliance

The financial statements of Heptagon Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The company is a private company limited by shares and is incorporated in the United Kingdom. The address of its registered office is Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities at fair value and are prepared in sterling which is the functional currency of the company, rounded to the nearest £.

The principal accounting policies, which have been applied consistently throughout the year, are set out below:

Exemption from preparing consolidated financial statements

The financial statements contain information about Heptagon Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a subsidiary of a group which has prepared publically available consolidated financial statements.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions:

- i. from preparing a statement of cash flows, on the basis that it is a qualifying entity and the cash flows of the company are included in the consolidated group cash flow statement of CPL Industries Group Limited;
- ii. from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;

Going Concern

At 31 March 2017 the company has net liabilities of £58,000 (2016: £58,000). The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of CPL Industries Group Limited.

Fixed asset investments

Fixed asset investments are held at cost less provision for permanent diminution in value. Investments in foreign subsidiaries are revalued for movements in exchange rates at each year end. Any movement in the value of the investment is taken directly to reserves as per section 30 of FRS 102.

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

1 Accounting policies (continued)

Related party transactions

In accordance with the exemption allowed by FRS 102 paragraph 33 1A transactions with entities wholly owned by CPL Industries Group Limited are not disclosed.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

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

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of investments

Where there are indicators of impairment of individual investments, the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar investments or observable market prices less incremental costs for disposing of the investment. The value in use calculation is based on a discounted cash flow model. The cash flows do not include restructuring activities that the company is not yet permitted to or significant future investments that will enhance the investment's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

3 Result on ordinary activities before taxation

The audit fee of £1,000 (2016: £1,000) for the company is borne by CPL Industries Limited, a fellow subsidiary undertaking of CPL Industries Group Limited.

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

4 Tax on result on ordinary activities

	2017 £'000	2016 £'000
UK corporation tax on result of ordinary activities	-	-

The tax assessed for the year is nil (2016: nil):

	2017 £'000	2016 £'000
Result on ordinary activities before taxation	-	-
Result on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%)	-	-
Effects of:		
Expense not allowable for tax purposes	-	-
Tax charge for the year	-	-

5 Directors' emoluments and employees

The directors did not receive any emoluments from the company for their services (2016: nil). The company has no employees (2016: none).

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

6 Investments

	Subsidiaries £'000
Cost	
At 1 April 2016 and 31 March 2017	40,387
Amounts written off	
At 1 April 2016 and 31 March 2017	11,000
Net book value	
At 31 March 2017	29,387
At 31 March 2016	29,387

Interests in group undertakings

Name of undertaking	Nature of business	Proportion of nominal value of issued shares held %
CPL Distribution Limited	Distribution of solid fuels	100
CPL Property Limited	Dormant	100
Midwinter Oil Supplies Limited	Dormant	100
Sadler Tankers Limited	Dormant	100
Heptagon Trustees Limited	Dormant	100
Walter H Feltham & Son Limited	Manufacture and sale of bags	100 *
Corralls Coal Limited	Dormant	100 *
C Rudrum & Sons Limited	Dormant	100 *
C Rudrum & Sons (Cornwall) Limited	Dormant	100 *
Castletown Fuels Limited	Distribution of solid fuels	100 *
CPL Industries Pension Trustees Limited	Dormant	100 *

* Company held indirectly by an intermediate company

All subsidiaries are incorporated in England & Wales, with the exception of Castletown Fuels Limited which is incorporated in the Isle of Man. All shares held in subsidiary companies are £1 ordinary shares.

The directors believe that the book value of investments is supported by their underlying net assets.

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

7 Amounts owed to group undertakings

	2017	2016
	£'000	£'000
Amounts owed to group undertakings	29,445	29,445
	29,445	29,445

All amounts owed to group undertakings are unsecured, interest free, have no fixed date of payment and are repayable on demand.

8 Called up share capital

	2017	2016
	£	£
Authorised		
7,500,000 (2016: 7,500,000) ordinary shares of 1p each	75,000	75,000
9,500,000 (2016: 9,500,000) redeemable cumulative preference shares of 10p each	950,000	950,000
Allotted and fully paid		
5,408,500 (2016: 5,408,500) ordinary shares of 1p each	54,085	54,085
9,500,000 (2016: 9,500,000) redeemable cumulative preference shares of 10p each	950,000	950,000

The rights attaching to the preference shares are set out below:

The preference shareholders have the right to a fixed cumulative preferential dividend of 2% per annum accruing on the aggregate of the nominal amount plus premium paid on each preference share from date of issue on 22 November 1995 to the date of redemption.

The preference shareholders receive dividends in priority to the holders of any other shares in the capital of the company and have preferential rights to return of capital on winding up.

The company's Articles of Association allowed early redemption by either the holders of the preference shares or the company in certain circumstances and are automatically redeemable on the sale or listing of the company. The preference shares were due for redemption on 22 November 2002 however as insufficient distributable reserves were available redemption has not taken place.

On redemption preference shareholders are entitled to the nominal amount and premium paid on each of their preference shares, a premium equal to 13% per annum of the amount paid in respect of each preference share and any unpaid dividends.

The preference shares are generally non-voting, however, due to the non payment of dividends nor redemption of the shares, preference shareholders may now vote at general meetings of the Company on the basis set out in regulation 54 of Table A of the Companies Act 1985.

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2017

9 Commitments and contingent liabilities

The company has no capital commitments or contingent liabilities at 31 March 2017 (2016: none).

10. Ultimate parent company

The immediate parent undertaking is CPL Industries Limited.

For the year ended 31 March 2017 CPL Industries Group Limited is the largest and smallest group in which these financial statements are consolidated.

Copies of the financial statements of CPL Industries Group Limited may be obtained from the Company Secretary, CPL Industries Group Limited, Westthorpe Fields Road, Killamarsh, Sheffield, S21 1TZ.

At the 31 March 2017 the directors consider VCP Jet Luxco Sarl is the ultimate parent company and controlling party. Copies of the financial statements of VCP Jet Luxco Sarl are available from 5 Rue Guillaume Kroll, L-1882, Luxembourg.