

Registered Number 3034114

Heptagon Limited
Annual Report
for the year ended 31 March 2020



Heptagon Limited

Balance sheet as at 31 March 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Investments	2	29,387	29,387
Current liabilities			
Amounts owed to group undertakings		(19,381)	(19,381)
Net current liabilities		(19,381)	(19,381)
Total assets less current liabilities		10,006	10,006
Capital and reserves			
Called up share capital	3	1,004	1,004
Share premium account		8,981	8,981
Capital redemption reserve		21	21
Profit and loss account		-	-
Total shareholders' funds		10,006	10,006

For the year ended 31 March 2020 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board of directors on 17 March 2021 and signed on their behalf by:



J Sutton
Director

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2020

1 Accounting policies

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. They are prepared in sterling, which is the functional currency of the company, rounded to the nearest £1,000.

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

Going Concern

At 31 March 2020 the Company had net current liabilities of £10,006,000 (2018: £10,006,000). 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.

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 include neither restructuring activities to which the company is not yet committed, nor significant future investments which would enhance the performance of the cash generating unit being tested. 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.

Heptagon Limited

Notes to the financial statements for the year ended 31 March 2020

2 Investments

	Subsidiaries £'000
Cost	
At 1 April 2019 and 31 March 2020	40,387
Impairment	
At 1 April 2019 and 31 March 2020	11,000
Net book value	
At 31 March 2020	29,387
At 31 March 2019	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 2020

3 Called up share capital

	2020 £	2019 £
Authorised		
7,500,000 (2019: 7,500,000) ordinary shares of 1p each	75,000	75,000
9,500,000 (2019: 9,500,000) redeemable cumulative preference shares of 10p each	950,000	950,000
Allotted and fully paid		
5,408,500 (2019: 5,408,500) ordinary shares of 1p each	54,085	54,085
9,500,000 (2019: 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 and the non-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 2020

4 Ultimate parent company

The immediate parent undertaking is CPL Industries Limited.

For the year ended 31 March 2020 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 31 March 2020 the directors consider that JCM Holdings Limited is the ultimate parent company and that JPV Mash is the ultimate controlling party. JCM Holdings Limited is established in the United Kingdom at 35 John Street, London, WC1N 2AT.