

**Report of the Directors and
Audited Financial Statements for the Period 1 April 2016 to 31 December 2016
for
Orwak Easi UK Ltd**

Orwak Easi UK Ltd (Registered number: 03714319)

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for the Period 1 April 2016 to 31 December 2016**

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DIRECTORS:

J Earnshaw
P F Jaginder
Ms A L M Rohs

SECRETARY:

S Robertson

REGISTERED OFFICE:

Hag Lane
Tholthorpe
York
North Yorkshire
YO61 1ST

REGISTERED NUMBER:

03714319 (England and Wales)

AUDITORS:

Prime Chartered Accountants
5 Argosy Court
Scimitar Way
Whitley Business Park
Coventry
CV3 4GA

**Report of the Directors
for the Period 1 April 2016 to 31 December 2016**

The directors present their report with the financial statements of the company for the period 1 April 2016 to 31 December 2016.

DIRECTORS

J Earnshaw has held office during the whole of the period from 1 April 2016 to the date of this report.

Other changes in directors holding office are as follows:

P F Jaginder - appointed 7 July 2016

Ms A L M Rohs - appointed 8 July 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

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. They 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Prime Chartered Accountants will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

S Robertson - Secretary

30 January 2017

Report of the Independent Auditors to the Members of Orwak Easi UK Ltd

We have audited the financial statements of Orwak Easi UK Ltd for the period ended 31 December 2016 on pages five to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Report of the Directors 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Kevin Johns BSc FCA (Senior Statutory Auditor)
for and on behalf of Prime Chartered Accountants
5 Argosy Court
Scimitar Way
Whitley Business Park
Coventry
CV3 4GA

30 January 2017

Income Statement
for the Period 1 April 2016 to 31 December 2016

		Period 1.4.16 to 31.12.16		Year Ended 31.3.16 as restated	
	Notes	£	£	£	£
REVENUE			1,946,923		2,339,741
Cost of sales			<u>324,867</u>		<u>454,696</u>
GROSS PROFIT			1,622,056		1,885,045
Distribution costs		32,737		30,577	
Administrative expenses		<u>1,162,064</u>		<u>1,720,493</u>	
			<u>1,194,801</u>		<u>1,751,070</u>
			427,255		133,975
Other operating income			<u>35,469</u>		<u>186,983</u>
OPERATING PROFIT	5		462,724		320,958
Interest payable and similar expenses			<u>13,812</u>		<u>26,615</u>
PROFIT BEFORE TAXATION			448,912		294,343
Tax on profit	6		<u>63,293</u>		<u>110,802</u>
PROFIT FOR THE FINANCIAL PERIOD			<u>385,619</u>		<u>183,541</u>

Balance Sheet
31 December 2016

		31.12.16	31.3.16 as restated
	Notes	£	£
FIXED ASSETS			
Intangible assets	8	-	-
Property, plant and equipment	9	1,736,688	1,687,633
Investments	10	-	-
		<u>1,736,688</u>	<u>1,687,633</u>
CURRENT ASSETS			
Inventories		538,880	466,756
Debtors	11	322,115	459,642
Cash at bank		<u>381,426</u>	<u>43,644</u>
		1,242,421	970,042
CREDITORS			
Amounts falling due within one year	12	<u>722,762</u>	<u>486,343</u>
NET CURRENT ASSETS		<u>519,659</u>	<u>483,699</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,256,347	2,171,332
CREDITORS			
Amounts falling due after more than one year	13	(121,634)	(243,751)
PROVISIONS FOR LIABILITIES	15	<u>(209,744)</u>	<u>(212,231)</u>
NET ASSETS		<u><u>1,924,969</u></u>	<u><u>1,715,350</u></u>
CAPITAL AND RESERVES			
Called up share capital		10,000	186,000
Retained earnings		<u>1,914,969</u>	<u>1,529,350</u>
SHAREHOLDERS' FUNDS		<u><u>1,924,969</u></u>	<u><u>1,715,350</u></u>

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

The financial statements were approved by the Board of Directors on 30 January 2017 and were signed on its behalf by:

J Earnshaw - Director

Ms A L M Rohs - Director

**Notes to the Financial Statements
for the Period 1 April 2016 to 31 December 2016**

1. STATUTORY INFORMATION

Orwak Easi UK Ltd 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.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

The investments in goodwill are being written off over a period of 5 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on reducing balance
Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Stocks

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

Taxation

Taxation for the period 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 31 December 2016.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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 period 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.

**Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss 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 profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 23 .

4. DIRECTORS' EMOLUMENTS

	Period 1.4.16 to 31.12.16	Year Ended 31.3.16 as restated
	£	£
Directors' remuneration	10,000	10,000
Directors' pension contributions to money purchase schemes	<u>9,936</u>	<u>12,958</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.4.16 to 31.12.16	Year Ended 31.3.16 as restated
	£	£
Depreciation - owned assets	259,052	332,515
Goodwill amortisation	-	80,000
Auditors' remuneration	<u>6,000</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016

6. **TAXATION**

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	Period 1.4.16 to 31.12.16 £	Year Ended 31.3.16 as restated £
Current tax:		
UK corporation tax	65,780	-
Tax adjustment re prior year	-	83,303
Total current tax	<u>65,780</u>	<u>83,303</u>
Deferred tax	(2,487)	27,499
Tax on profit	<u>63,293</u>	<u>110,802</u>

7. **PRIOR YEAR ADJUSTMENT**

The accounts have been restated to incorporate the impact of an understatement of deferred income in the prior year. The change has resulted in a decrease in profits available for distribution and an increase in creditors at 31 March 2016 of £74,536.

8. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 April 2016 and 31 December 2016	<u>500,000</u>
AMORTISATION	
At 1 April 2016 and 31 December 2016	<u>500,000</u>
NET BOOK VALUE	
At 31 December 2016	-
At 31 March 2016	-

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016

9. PROPERTY, PLANT AND EQUIPMENT

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2016	105,309	2,713,785	6,455
Additions	-	473,166	-
Disposals	-	(324,728)	-
At 31 December 2016	<u>105,309</u>	<u>2,862,223</u>	<u>6,455</u>
DEPRECIATION			
At 1 April 2016	43,382	1,150,767	5,171
Charge for period	4,710	249,196	141
Eliminated on disposal	-	(167,452)	-
At 31 December 2016	<u>48,092</u>	<u>1,232,511</u>	<u>5,312</u>
NET BOOK VALUE			
At 31 December 2016	<u>57,217</u>	<u>1,629,712</u>	<u>1,143</u>
At 31 March 2016	<u>61,927</u>	<u>1,563,018</u>	<u>1,284</u>

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2016	147,887	63,022	3,036,458
Additions	-	3,380	476,546
Disposals	(13,260)	(3,277)	(341,265)
At 31 December 2016	<u>134,627</u>	<u>63,125</u>	<u>3,171,739</u>
DEPRECIATION			
At 1 April 2016	103,297	46,208	1,348,825
Charge for period	11,994	2,903	268,944
Eliminated on disposal	(12,522)	(2,744)	(182,718)
At 31 December 2016	<u>102,769</u>	<u>46,367</u>	<u>1,435,051</u>
NET BOOK VALUE			
At 31 December 2016	<u>31,858</u>	<u>16,758</u>	<u>1,736,688</u>
At 31 March 2016	<u>44,590</u>	<u>16,814</u>	<u>1,687,633</u>

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016

9. **PROPERTY, PLANT AND EQUIPMENT - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 April 2016	63,119
Transfer to ownership	(23,845)
At 31 December 2016	<u>39,274</u>
DEPRECIATION	
At 1 April 2016	29,958
Charge for period	9,892
Transfer to ownership	(20,519)
At 31 December 2016	<u>19,331</u>
NET BOOK VALUE	
At 31 December 2016	<u>19,943</u>
At 31 March 2016	<u>33,161</u>

10. **FIXED ASSET INVESTMENTS**

	Other investments £
COST	
At 1 April 2016	39,200
Disposals	(39,200)
At 31 December 2016	<u>-</u>
PROVISIONS	
At 1 April 2016	39,200
Eliminated on disposal	(39,200)
At 31 December 2016	<u>-</u>
NET BOOK VALUE	
At 31 December 2016	<u>-</u>
At 31 March 2016	<u>-</u>

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

	31.12.16 £	31.3.16 as restated £
Trade debtors	310,491	252,768
Other debtors	<u>11,624</u>	<u>206,874</u>
	<u>322,115</u>	<u>459,642</u>

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.3.16 as restated
	£	£
Hire purchase contracts (see note 14)	204,386	252,322
Trade creditors	165,156	20,499
Taxation and social security	232,877	121,880
Other creditors	120,343	91,642
	<u>722,762</u>	<u>486,343</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.16	31.3.16 as restated
	£	£
Hire purchase contracts (see note 14)	<u>121,634</u>	<u>243,751</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 31.12.16	31.3.16 as restated
	£	£
Gross obligations repayable:		
Within one year	216,779	271,307
Between one and five years	<u>125,172</u>	<u>253,152</u>
	<u>341,951</u>	<u>524,459</u>
Finance charges repayable:		
Within one year	12,393	18,985
Between one and five years	<u>3,538</u>	<u>9,401</u>
	<u>15,931</u>	<u>28,386</u>
Net obligations repayable:		
Within one year	204,386	252,322
Between one and five years	<u>121,634</u>	<u>243,751</u>
	<u>326,020</u>	<u>496,073</u>

Notes to the Financial Statements - continued
for the Period 1 April 2016 to 31 December 2016

14. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	31.12.16	31.3.16 as restated
	£	£
Within one year	52,879	29,022
Between one and five years	<u>55,872</u>	<u>16,742</u>
	<u>108,751</u>	<u>45,764</u>

15. PROVISIONS FOR LIABILITIES

	31.12.16	31.3.16 as restated
	£	£
Deferred tax	<u>209,744</u>	<u>212,231</u>
		Deferred tax
		£
Balance at 1 April 2016		212,231
Credit to Income Statement during period		<u>(2,487)</u>
Balance at 31 December 2016		<u>209,744</u>

16. RELATED PARTY DISCLOSURES

1. Properties from which the company's business is operated are owned by Mr. J. Earnshaw. Rent was charged in the year of £28,000 (31 March 2016: £28,000).
2. During the year the company incurred costs on behalf of Agecko UK Limited, a company in which Mr J Earnshaw had a 50% shareholding until July 2016. At 31st December 2016 £nil (31 March 2016: £25,492) was outstanding and included in trade debtors.
3. During the year the company provided facilities, support and other services to Easi Recycling UK Limited amounting to £61,200 (31 March 2016: £181,600). At 31st December 2016 £nil (31 March 2016: £85,000) was outstanding and included in other debtors.
4. During the period the company made purchases from Orwak, the ultimate parent company. At 31 December 2016 £123,432 (31 March 2016: £nil) was outstanding and included in trade creditors.

17. ULTIMATE PARENT COMPANY

The Ultimate Parent Company is San Sac Group AB, a company incorporated in Sweden.
The Immediate Parent Company is Orwak UK Limited, a company incorporated in the United Kingdom.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.