

IPL Union Limited

Registered number: 07250317

Directors' report and unaudited financial statements

For the year ended 30 September 2017

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IPL UNION LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | N Macaulay F C Fouche F C Kritzinger M N Latona |
| Registered number | 07250317 |
| Registered office | Tower Bridge House St Katharine's Way London E1W 1DD |
| Accountants | Mazars LLP Chartered Accountants Times House Throwley Way Sutton Surrey SM1 4JQ |

IPL UNION LIMITED

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

The directors present their report and the unaudited financial statements for the year ended 30 September 2017.

Principal activity

The principal activity of the company is marketing for its parent company, Intercontinental Procurement Ltd.

Directors

The directors who served during the year were:

N Macaulay
F C Fouche (appointed 30 November 2016)
F C Kritzinger (appointed 30 November 2016)
M N Latona (appointed 30 November 2016)
B H Morris (resigned 1 December 2016)
J L Medina (resigned 1 December 2016)
S M Mcgrath (resigned 1 December 2016)
R M Kearsey (resigned 1 December 2016)
S E Mcinnes (resigned 1 December 2016)

Directors' responsibilities statement

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

Company law requires the directors to prepare unaudited financial statements for each financial year. Under that law the directors have elected to prepare the unaudited financial statements in accordance with 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'. Under company law the directors must not approve the unaudited 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 unaudited financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the unaudited 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 to enable them to ensure that the unaudited 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.

Going concern

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

IPL UNION LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

Post balance sheet events

On 14 May 2018, 100% of the shareholding was purchased by Intercontinental Procurement Limited, a company registered in Hong Kong.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M N Latona
Director

Date: 29 June 2018

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF
THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF IPL UNION LIMITED
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

In accordance with our engagement letter and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of the company for the year ended 30 September 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes from the company accounting records and from information and explanations you have given to us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

Respective responsibilities of directors and accountants

You have acknowledged on the balance sheet for the year ended 30 September 2017 your duty to ensure that the company has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and profit. You consider that the company is exempt from the statutory audit requirement for the year.

This report is made to the Board of Directors of IPL Union Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Board of Directors, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept nor assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

We have not been instructed to carry out an audit or review of the financial statements of IPL Union Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Mazars LLP

Chartered Accountants

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date: 29 June 2018

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

| | Note | 2017 £ | 2016 £ |
|--|------|----------------------|----------------------|
| Turnover | | 542,391 | 596,734 |
| Cost of sales | 4 | (129,320) | (190,576) |
| Gross profit | | <u>413,071</u> | <u>406,158</u> |
| Administrative expenses | | (382,850) | (378,978) |
| Operating profit | | <u>30,221</u> | <u>27,180</u> |
| Tax on profit | | (6,263) | (5,352) |
| Profit for the financial year | | <u><u>23,958</u></u> | <u><u>21,828</u></u> |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | <u><u>23,958</u></u> | <u><u>21,828</u></u> |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 8 to 20 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

| | Note | 2017 £ | Restated 2016 £ |
|--|------|----------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 7 | 4,945 | 5,422 |
| | | <u>4,945</u> | <u>5,422</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 8 | 217,509 | 273,448 |
| Cash at bank and in hand | 9 | 2,167 | 178 |
| | | <u>219,676</u> | <u>273,626</u> |
| Creditors: amounts falling due within one year | 10 | (138,305) | (217,531) |
| Net current assets | | <u>81,371</u> | <u>56,095</u> |
| Total assets less current liabilities | | <u>86,316</u> | <u>61,517</u> |
| Provisions for liabilities | | | |
| Deferred tax | | (841) | - |
| | | <u>(841)</u> | <u>-</u> |
| Net assets | | <u>85,475</u> | <u>61,517</u> |
| Capital and reserves | | | |
| Called up share capital | | 2 | 2 |
| Profit and loss account | | 85,473 | 61,515 |
| Total equity | | <u>85,475</u> | <u>61,517</u> |

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

IPL UNION LIMITED
REGISTERED NUMBER: 07250317

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2017

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M N Latona
Director



F C Kritzing
Director

Date: 29 June 2018

Date: 29 June 2018

The notes on pages 8 to 20 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

| | Called up share capital | Profit and loss account | Total equity |
|---|------------------------------------|------------------------------------|---------------------|
| | £ | £ | £ |
| At 1 October 2015 | 2 | 39,687 | 39,689 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 21,828 | 21,828 |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | - | 21,828 | 21,828 |
| At 1 October 2016 (as previously stated) | 2 | 63,426 | 63,428 |
| FRS 102 adjustment | - | (1,911) | (1,911) |
| At 1 October 2016 | 2 | 61,515 | 61,517 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 23,958 | 23,958 |
| Other comprehensive income for the year | - | - | - |
| Total comprehensive income for the year | - | 23,958 | 23,958 |
| At 30 September 2017 | 2 | 85,473 | 85,475 |

The notes on pages 8 to 20 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

1. General information

IPL Union Limited is a private company limited by shares incorporated in the United Kingdom. The address of its registered office is Tower Bridge House, St Katharine's Way, London, E1W 1DD.

The principal activity of the company is marketing for its parent company, Intercontinental Procurement Ltd.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS102 Section 1A is given in note 17.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|-----------------------|---|-------------------|
| Fixtures and fittings | - | 20% straight line |
| Computer equipment | - | 33% straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

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

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within administrative expenses.

2.10 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

2. Accounting policies (continued)**2.14 Prior period adjustment**

The prior period adjustment relates to a reclassification in the statement of financial position regarding the shareholders loan being reclassified to Amounts owed by group undertakings and related parties.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

3.1 Critical judgements in applying the company's accounting policies

The preparation of financial statements in conformity with FRS 102 requires management to exercise judgement in the process of applying the company's accounting policies. Management do not consider there to be any areas of significant judgement or accounting complexity.

4. Cost of sales

| | 2017 £ | 2016 £ |
|--------------|----------------|----------------|
| Profit share | 129,320 | 190,576 |
| | <u>129,320</u> | <u>190,576</u> |

5. Employees

Staff costs, including directors' remuneration, were as follows:

The average monthly number of employees, including the directors, during the year was 4 (2016 - 4).

The directors' remuneration including pension contributions for the year was £105,809 (2016: £103,116).

During the year, retirement benefits were accruing to 1 director (2016 - 1) in respect of defined contribution pension schemes.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Taxation

| | 2017 £ | 2016 £ |
|--|--------------|--------------|
| Corporation tax | | |
| Current tax on profits for the year | 5,613 | 5,352 |
| Adjustments in respect of previous periods | (191) | - |
| | <u>5,422</u> | <u>5,352</u> |
| Total current tax | <u>5,422</u> | <u>5,352</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 244 | - |
| Adjustment in respect of prior periods | 597 | - |
| Total deferred tax | <u>841</u> | <u>-</u> |
| Taxation on profit on ordinary activities | <u>6,263</u> | <u>5,352</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 19.50% (2016 - 20%). The differences are explained below:

| | 2017 £ | 2016 £ |
|---|--------------|--------------|
| Profit on ordinary activities before tax | 30,221 | 29,091 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.50% (2016 - 20%) | 5,893 | 5,818 |
| Effects of: | | |
| Income not taxable for tax purposes | (373) | - |
| Adjustment to tax charge in respect of prior periods | (191) | - |
| Adjustment to brought forward values | - | (382) |
| Adjustments to tax charge in respect of prior periods - deferred tax | 597 | - |
| Adjust deferred tax to average rate of 19.50% | (36) | (105) |
| Timing differences not recognised in the computation | 373 | - |
| Deferred tax not recognised | - | 21 |
| Total tax charge for the year | 6,263 | 5,352 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Taxation (continued)**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% was substantively enacted in July 2015 and took effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted on 6 September 2017.

7. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|--------------------------|--|-------------------------------------|--------------------|
| Cost or valuation | | | |
| At 1 October 2016 | 5,311 | 8,872 | 14,183 |
| Additions | 644 | 563 | 1,207 |
| At 30 September 2017 | 5,955 | 9,435 | 15,390 |
| Depreciation | | | |
| At 1 October 2016 | 2,088 | 6,673 | 8,761 |
| Charge for the year | 774 | 910 | 1,684 |
| At 30 September 2017 | 2,862 | 7,583 | 10,445 |
| Net book value | | | |
| At 30 September 2017 | 3,093 | 1,852 | 4,945 |
| At 30 September 2016 | 3,223 | 2,199 | 5,422 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

8. Debtors

| | 2017 £ | Restated 2016 £ |
|--|----------------|-----------------------|
| Amounts owed by group undertakings and related parties | 210,685 | 267,696 |
| Other debtors | 4,826 | 4,826 |
| Prepayments and accrued income | 1,998 | 926 |
| | <u>217,509</u> | <u>273,448</u> |

Amounts owed by group undertakings are unsecured, interest free and payable on demand.

9. Cash and cash equivalents

| | 2017 £ | 2016 £ |
|--------------------------|--------------|------------|
| Cash at bank and in hand | 2,167 | 178 |
| | <u>2,167</u> | <u>178</u> |

10. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------|----------------|----------------|
| Corporation tax | 5,422 | 5,162 |
| Other creditors | 136 | 7,920 |
| Accruals and deferred income | 132,747 | 204,449 |
| | <u>138,305</u> | <u>217,531</u> |

11. Deferred taxation

| | 2017 £ |
|---------------------------|--------------|
| Charged to profit or loss | (841) |
| At end of year | <u>(841)</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

11. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

| | 2017 £ | 2016 £ |
|--------------------------------|--------------|-----------|
| Accelerated capital allowances | (841) | - |
| | <u>(841)</u> | <u>-</u> |

12. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £15,844 (2016: £13,937). Contributions totalling £nil (2016: £nil) were payable to the fund at the balance sheet date.

13. Commitments under operating leases

At 30 September 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Not later than 1 year | 11,464 | 11,464 |
| Later than 1 year and not later than 5 years | 32,482 | 43,946 |
| | <u>43,946</u> | <u>55,410</u> |

14. Related party transactions

The company is a wholly owned member of Intercontinental procurement Limited, and as such has taken advantage of the exemption permitted by FRS 102 section 33 related party disclosure, not to provide disclosures of transaction entered into with other wholly owned members of the group.

At the year end, the company was owed £210,685 (2016: £267,696) by Intercontinental Procurement Limited, the immediate parent company. The amount is shown in amounts owed by group undertakings and related parties.

15. Post balance sheet events

On 14 May 2018, 100% of the shareholding was purchased by Intercontinental Procurement Limited, a company registered in Hong Kong.

IPL UNION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

16. Controlling party

The immediate parent company is Intercontinental Procurement Limited, a company incorporated in Hong Kong. The ultimate parent company is UVL Global Trading Limited, a company incorporated in Mauritius.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**
17. First time adoption of FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2015. The impact of the transition to FRS 102 is as follows:

| | As previously stated 1 October 2015 | Effect of transition 1 October 2015 | FRS 102 (as restated) 1 October 2015 | As previously stated 30 September 2016 | Effect of transition 30 September 2016 | FRS 102 (as restated) 30 September 2016 |
|--|---|--|---|---|--|---|
| Note | £ | £ | £ | £ | £ | £ |
| Fixed assets | 2,136 | - | 2,136 | 5,422 | - | 5,422 |
| Current assets | 149,965 | - | 149,965 | 273,626 | - | 273,626 |
| Creditors: amounts falling due within one year | (112,412) | - | (112,412) | (215,620) | (1,911) | (217,531) |
| Net current assets | 37,553 | - | 37,553 | 58,006 | (1,911) | 56,095 |
| Total assets less current liabilities | 39,689 | - | 39,689 | 63,428 | (1,911) | 61,517 |
| Net assets | 39,689 | - | 39,689 | 63,428 | (1,911) | 61,517 |
| Capital and reserves | 39,689 | - | 39,689 | 61,517 | - | 61,517 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**
17. First time adoption of FRS 102 (continued)

| | Note | As previously stated 30 September 2016 £ | Effect of transition 30 September 2016 £ | FRS 102 (as restated) 30 September 2016 £ |
|--|-------------|---|---|--|
| Turnover | | 596,734 | - | 596,734 |
| Cost of sales | | (190,576) | - | (190,576) |
| | | <hr/> | <hr/> | <hr/> |
| | | 406,158 | - | 406,158 |
| Administrative expenses | | (377,067) | (1,911) | (378,978) |
| | | <hr/> | <hr/> | <hr/> |
| Operating profit | | 29,091 | (1,911) | 27,180 |
| Taxation | | (5,352) | - | (5,352) |
| | | <hr/> | <hr/> | <hr/> |
| Profit on ordinary activities after taxation and for the financial year | | 23,739 | (1,911) | 21,828 |
| | | <hr/> | <hr/> | <hr/> |

Explanation of changes to previously reported profit and equity:

This is the first financial year that the company has presented its financial statements in accordance with FRS 102 Section 1A - small entities The Financial Reporting Framework Applicable in the UK and Republic of Ireland ("FRS 102"). For financial years up to and including the year ending 30 September 2016, the company prepared its financial statements in accordance with previously extant UK GAAP.

The date of transition to FRS 102 Section 1A - small entities is therefore 1 October 2015.

This note sets out the changes to accounting policies and the transitional adjustment that are required to be made for first-time transition to FRS 102 Section 1A - small entities. The company's opening position as at the 1 October 2015 has been restated from previously extant UK GAAP.

Rent accrual

This transitional adjustment relates to the lease incentives being apportioned over the terms of the lease for the lease entered into on 15 August 2016 and accrual of rent due to this. This adjustment has resulted in increase in rent costs of £1,911 at 30 September 2016 and a decrease in retained earnings as at 30 September 2016.