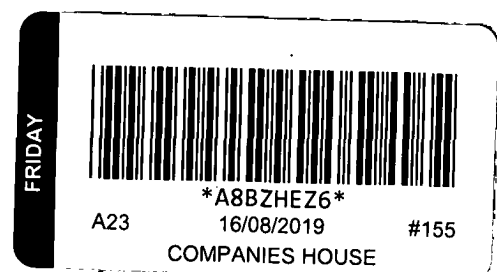

HEP OILS LIMITED

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2019



HEP OILS LIMITED

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HEP OILS LIMITED
REGISTERED NUMBER: 08943077

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	5	852,927	460,905
		<u>852,927</u>	<u>460,905</u>
Current assets			
Stocks	6	346,498	231,116
Debtors: amounts falling due within one year	7	845,765	840,001
Cash at bank and in hand	8	308,515	326,931
		<u>1,500,778</u>	<u>1,398,048</u>
Creditors: amounts falling due within one year	9	(1,220,621)	(777,275)
Net current assets		<u>280,157</u>	<u>620,773</u>
Total assets less current liabilities		<u>1,133,084</u>	<u>1,081,678</u>
Creditors: amounts falling due after more than one year		(13,758)	(19,564)
Provisions for liabilities			
Deferred tax		(99,202)	(73,277)
Other provisions	13	(318)	-
		<u>(99,520)</u>	<u>(73,277)</u>
Net assets		<u><u>1,019,806</u></u>	<u><u>988,837</u></u>
Capital and reserves			
Called up share capital	14	108	100
Profit and loss account		1,019,698	988,737
		<u><u>1,019,806</u></u>	<u><u>988,837</u></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.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

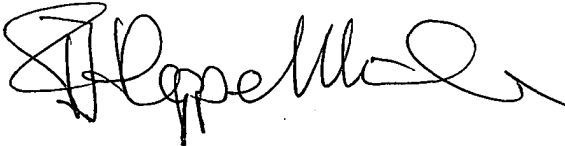
The Company has opted not to file the statement of comprehensive income in accordance with provisions

HEP OILS LIMITED
REGISTERED NUMBER: 08943077

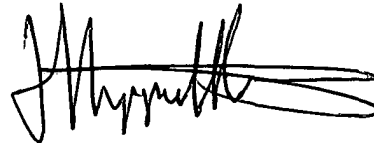
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2019

applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 August 2019.



Fredrick Heppelthwaite
Director



Timothy Heppelthwaite
Director

The notes on pages 5 to 16 form part of these financial statements.

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

Hep Oils Limited is a private company limited by shares and is incorporated in England under registered number 08943077. The address of its registered office is Office 121, Boundary House, Cricket Field Road, Uxbridge, UB8 1QG.

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.

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

The following principal accounting policies have been applied:

2.2 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.

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.3 Revenue

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:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 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.

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 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 including employee's personal pension plans. 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.

2.9 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.

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.10 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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:

Plant and machinery	- 4%, 5%, 10%, 15%, 20%, 25% & 33.34%
Motor vehicles	- 20% & 25%
Fixtures and fittings	- 10% & 20%
Office equipment	- 20%, 33.34% & 50%
Premises assets & improvements	- 4%, 5% & 10%

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.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.13 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.

2.14 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.

2.15 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.16 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.

2.17 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.17 Financial instruments (continued)

financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.18 Financial liabilities

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Financial liabilities within the scope of IAS 39 are initially classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequently, the measurement of financial liabilities depends on their classification as follows:

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification, this is treated as a derecognition of the original liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include the useful economic life of fixed assets and the recoverability of debtors.

4. Employees

The average monthly number of employees, including directors, during the year was 31 (2018 - 30).

HEP OILS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

5. Tangible fixed assets

	Premises assets & improvements £	Plant and machinery £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2018	33,862	331,102	31,923	27,015	453,253	877,155
Additions	172,624	128,440	20,197	11,172	223,996	556,429
Disposals	-	(4,308)	-	-	(41,853)	(46,161)
At 31 March 2019	206,486	455,234	52,120	38,187	635,396	1,387,423
Depreciation						
At 1 April 2018	3,212	158,307	19,995	7,272	227,464	416,250
Charge for the year on owned assets	4,688	48,999	7,741	3,499	40,737	105,664
Charge for the year on financed assets	-	-	-	-	38,983	38,983
Disposals	-	(4,308)	-	-	(22,093)	(26,401)
At 31 March 2019	7,900	202,998	27,736	10,771	285,091	534,496
Net book value						
At 31 March 2019	198,586	252,236	24,384	27,416	350,305	852,927
At 31 March 2018	30,650	172,795	11,928	19,743	225,789	460,905

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2019 £	2018 £
Motor vehicles	245,697	124,382
	<u>245,697</u>	<u>124,382</u>

HEP OILS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Stocks

	2019 £	2018 £
Finished goods and goods for resale	346,498	231,116
	<u>346,498</u>	<u>231,116</u>

7. Debtors

	2019 £	2018 £
Trade debtors	768,340	778,087
Other debtors	27,363	2,336
Prepayments and accrued income	50,062	59,578
	<u>845,765</u>	<u>840,001</u>

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	308,515	326,931
	<u>308,515</u>	<u>326,931</u>

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	629,018	467,240
Corporation tax	100,130	115,661
Other taxation and social security	72,786	62,244
Obligations under finance lease and hire purchase contracts	42,027	25,697
Other creditors	324,619	98,034
Accruals and deferred income	52,041	8,399
	<u>1,220,621</u>	<u>777,275</u>

HEP OILS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

10. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	13,758	19,564
	<u>13,758</u>	<u>19,564</u>

11. Hire purchase

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	42,027	25,697
Between 1-5 years	13,758	16,688
Over 5 years	-	2,876
	<u>55,785</u>	<u>45,261</u>

12. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	308,515	326,931

Financial assets measured at fair value through profit or loss comprise the company's bank accounts.

13. Provisions

	Dilapidation & Rent Free provision £
Charged to profit or loss	318
At 31 March 2019	<u><u>318</u></u>

HEP OILS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

14. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 (2018 - 100) Ordinary A shares of £1.00 each	100	100
8 (2018 -) Ordinary B shares of £1.00 each	8	-
	<u>108</u>	<u>100</u>

During the year the company issued 8 Ordinary B shares at a nominal value of £1.00 per share. The shares are fully paid.

15. Capital commitments

At 31 March 2019 the Company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	105,000	28,052
	<u>105,000</u>	<u>28,052</u>

16. Pension commitments

The Company operates a defined contribution pension scheme and also makes contributions to some employee's or directors personal pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £29,820 (2018 - £20,713). Contributions totalling £2,342 (2018 - £744) were payable to the fund at the reporting date.

17. Commitments under operating leases

At 31 March 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	24,000	24,000
Later than 1 year and not later than 5 years	21,333	-
	<u>45,333</u>	<u>24,000</u>

HEP OILS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Other financial commitments

The total amount of financial commitments not included in the balance sheet amounted to £1,038,513 (2018 - £1,262,328). The commitments, which are in respect of non-cancellable operating leases and agreements for future stock purchases. Of these commitments £1,025,180 (2018 - £1,262,328) fall due within the next year and £13,333 (2018 - £Nil) fall due after one year.