

Company Registration No. 02978262 (England and Wales)

K.P.P. CONVERTERS LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2021
PAGES FOR FILING WITH REGISTRAR

K.P.P. CONVERTERS LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 6

K.P.P. CONVERTERS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 £	£	2019 £	£
Fixed assets					
Tangible assets	3		21,481		142,628
Current assets					
Stocks		-		114,446	
Debtors	4	-		327,638	
Cash at bank and in hand		38,617		402,091	
		<u>38,617</u>		<u>844,175</u>	
Creditors: amounts falling due within one year	5	<u>(52,822)</u>		<u>(516,544)</u>	
Net current (liabilities)/assets			(14,205)		327,631
Total assets less current liabilities			<u>7,276</u>		<u>470,259</u>
Creditors: amounts falling due after more than one year	6		-		(28,859)
Net assets			<u>7,276</u>		<u>441,400</u>
Capital and reserves					
Called up share capital			71,285		71,285
Profit and loss reserves			<u>(64,009)</u>		<u>370,115</u>
Total equity			<u>7,276</u>		<u>441,400</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 16 March 2022 and are signed on its behalf by:

Mr C Davies
Director

Company Registration No. 02978262

K.P.P. CONVERTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

Company information

K.P.P. Converters Limited is a private company limited by shares incorporated in England and Wales. The registered office is Northwood House, Stafford Park 10, Telford, England, TF3 3AB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As the company is no longer trading and has now disposed of all assets, the directors have agreed to close the company once the outstanding loans have been paid. The financial statements therefore are prepared on a basis other than going concern, which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the balance sheet date. The financial statements do not include any provision for future costs of terminating the activities of the company except to the extent that such costs were committed at the balance sheet date.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	10% straight line
Plant and equipment	10% - 20% straight line
Motor vehicles	20% straight line

K.P.P. CONVERTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

K.P.P. CONVERTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

K.P.P. CONVERTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2021

2 Employees

The average monthly number of persons (including directors) employed by the company during the Period was:

	2021 Number	2019 Number
Total	12	17

3 Tangible fixed assets

	Leasehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 1 January 2020	154,738	905,536	46,950	1,107,224
Disposals	(154,738)	(905,536)	-	(1,060,274)
At 30 June 2021	-	-	46,950	46,950
Depreciation and impairment				
At 1 January 2020	67,054	886,702	10,840	964,596
Depreciation charged in the Period	9,027	13,287	14,629	36,943
Eliminated in respect of disposals	(76,081)	(899,989)	-	(976,070)
At 30 June 2021	-	-	25,469	25,469
Carrying amount				
At 30 June 2021	-	-	21,481	21,481
At 31 December 2019	87,684	18,834	36,110	142,628

4 Debtors

	2021 £	2019 £
Amounts falling due within one year:		
Trade debtors	-	307,841
Other debtors	-	5,269
Prepayments and accrued income	-	14,528
	-	327,638

K.P.P. CONVERTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2021

5 Creditors: amounts falling due within one year

	2021 £	2019 £
Obligations under hire purchase	24,592	6,315
Trade creditors	(44)	212,523
Amounts owed to group undertakings	-	250,000
Corporation tax	-	8,510
Other taxation and social security	21,794	29,357
Other creditors	-	1,738
Accruals and deferred income	6,480	8,101
	<u>52,822</u>	<u>516,544</u>

6 Creditors: amounts falling due after more than one year

	2021 £	2019 £
Obligations under hire purchase	-	28,859
	<u>-</u>	<u>28,859</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Emphasis of matter

We draw attention to note 1.2 of the financial statements, which describes financial statements are prepared on a basis other than going concern. As stated in note 1.2, these events or conditions, along with other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in this respect.

The senior statutory auditor was S Meah FCCA .

The auditor was Crossley Financial Accounting Limited.

8 Parent company

Connect Hygiene Products Limited is the parent company. Northwood Hygiene Products Limited is the ultimate controlling party and it's registered office is Northwood House, Stafford Park 10, Telford, England, TF3 3AB.

