

UNITED KINGDOM OIL PIPELINES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2018

Registered No. 746708



UNITED KINGDOM OIL PIPELINES LIMITED

Registered No. 746708

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UNITED KINGDOM OIL PIPELINES LIMITED

Registered No. 746708

Directors

Trevor Allinson

Patrick Howley

Tracy Hughes

Nicholas Roberts

Ian Virrels

Martin White

Secretary

Pinsent Masons Secretarial Limited

Registered Office

5 – 7 Alexandra Road
Hemel Hempstead
HERTFORDSHIRE HP2 5BS

Auditors

Mercer & Hole,
72 London Road
St Albans
Hertfordshire AL1 1NS

UNITED KINGDOM OIL PIPELINES LIMITED

DIRECTORS' REPORT

Registered No. 746708

The Directors present their annual report and audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company during the year, as agents for the members, was the management, operation, maintenance and development of the members' Thames-Mersey pipeline system. Refined petroleum products are pumped from Thames Haven, Essex and Stanlow, Cheshire through the pipeline to distribution terminals at Buncefield in Hertfordshire, Kingsbury in Warwickshire and at Northampton. As part of this operation, the Company also manages and operates limited tank facilities at each of the five sites as part of the processing equipment; these are not bulk storage tanks. The Company appointed British Pipeline Agency Limited to carry out its obligations as sub-agent (see note 2 to the Accounts).

The Directors expect no change in this activity for the foreseeable future.

DIRECTORS

The present Directors of the Company are:-

Trevor Allinson

Patrick Howley appointed 4 January 2019

Tracy Hughes appointed 5 February 2019

Nicholas Roberts

Ian Virrels

Martin White

Unless otherwise indicated, all the above named Directors (and their alternates) held office for the whole year under review.

The following Directors also served during the year under review:-

Alan Easton resigned 4 January 2019

Andrew Taylor resigned 1 February 2019

AUDITORS / ELECTIVE REGIME

Elective Resolutions, passed on 23 May 1996, are in place dispensing with the requirements to lay the Report and Accounts before the members in General Meetings and to hold an Annual General Meeting ("AGM") each year. Since 1 October 2007, the Companies Act 2006 superseded and made the elective regime the default position for all private companies irrespective of whether its shareholders had approved the relevant Elective Resolutions. By virtue of the Fifth Commencement Order, this is the position even for those private companies whose Articles of Association specify that an AGM must be held each year, providing its shareholders had previously approved the Elective Resolution dispensing with the requirement to hold AGMs each year.

UNITED KINGDOM OIL PIPELINES LIMITED

DIRECTORS' REPORT (CONTINUED)

Registered No. 746708

COMPANIES ACT 2006 PROVISIONS RELATING TO SMALL ENTITIES

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

RESULTS AND DIVIDENDS

The profit before taxation for the year ended 2018 was £0 (2017: £0).

No final dividend is recommended (2017: nil).

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirm that:

- To the best of each director's knowledge and belief, there is no relevant audit information of which the company's auditors are unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its' future performance, and its financial position, are described above.

The Participant's agreement explains the responsibilities of the Company's shareholders. As a consequence, the directors believe that the Company is well placed to successfully manage its business risks and meet its liabilities as they fall due.

Accordingly they continue to adopt the going concern basis for preparing the annual report and accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Director's Report 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

UNITED KINGDOM OIL PIPELINES LIMITED

DIRECTORS' REPORT (CONTINUED)

Registered No. 746708

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.

On behalf of the Board



Ian Virrels, Director
5-7 Alexandra Road
Hemel Hempstead, HP2 5BS

4 June 2019

Independent auditor's report to the members of United Kingdom Oil Pipelines Limited

Opinion

We have audited the financial statements of United Kingdom Oil Pipelines Limited (the 'company') for the year ended 31 December 2018 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of United Kingdom Oil Pipelines Limited (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report 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.



Ross Lane (Senior Statutory Auditor)

for and on behalf of Mercer & Hole

14/06/19

Chartered Accountants
Statutory Auditor

72 London Road
St Albans
Hertfordshire
AL1 1NS

UNITED KINGDOM OIL PIPELINES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

Registered No. 746708

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		£	£
Turnover	3,10	20,825,870	18,676,761
Cost of Sales		(20,825,870)	(18,676,761)
Other direct operating costs		-	-
Operating Profit	4	-	-
Profit on ordinary activities before taxation		-	-
Taxation on profit on ordinary activities	5	-	-
Total Profit for the year		-	-

The result for the year arises from the company's continuing operations.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		£	£
Profit for the financial year		-	-
Other comprehensive income		-	-
Total recognised gain relating to the year		-	-

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

The directors have taken the decision not to prepare a cash flow statement as there are no cash movements as a result of cash transactions.

UNITED KINGDOM OIL PIPELINES LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2018

Registered No. 746708

	<u>Note</u>	<u>2018</u> £	<u>2017</u> £
Current Assets			
Cash at bank and in hand		<u>200</u>	<u>200</u>
Net Current Assets		<u>200</u>	<u>200</u>
Capital and Reserves			
Called up share capital	7	<u>200</u>	<u>200</u>
Shareholders' Funds		<u>200</u>	<u>200</u>

The financial statements were approved by the Board of Directors on 4 June 2019, and signed on its behalf by:-



Nicholas Roberts, Director

UNITED KINGDOM OIL PIPELINES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

Registered No. 746708

	<u>Called up share capital</u>	<u>Profit and loss account</u>	<u>Total Equity</u>
	£	£	£
As at 1 January 2017	200	-	200
Profit for the year	-	-	-
As at 1 January 2018 Note 8	200	-	200
Profit for the year	-	-	-
As at 31 December 2018	200	-	200

UNITED KINGDOM OIL PIPELINES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Registered No. 746708

1. ACCOUNTING CONVENTION

United Kingdom Oil Pipelines Limited is a private company limited by shares incorporated in England & Wales. The Registered Office is 5-7 Alexandra Road, Hemel Hempstead, Herts HP2 5BS.

STATEMENT OF COMPLIANCE

The Company's financial statements have been prepared in compliance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006 as they apply to the financial statements of the Company for the year ended 31 December 2018.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards. The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

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

2. PROFIT AND LOSS ACCOUNT

The Company entered into a Participants Agreement dated 15 July 1999 with the members of the Company which governs the management, operation, maintenance and development of the members pipeline systems.

The Company entered into an Agency Agreement with Shell-Mex and BP Limited dated 11 March 1971, which was assigned on 19 January 1976 to transfer all rights and obligations under the Participants Agreement to British Pipeline Agency Limited ("BPA", a company registered in England no. 1228157). BPA is the Company's agent to manage, operate, maintain and carry out capital projects in relation to these pipelines. In particular, the Agency Agreement specifically provides that BPA shall keep and maintain a full and proper system of accounts and records in relation to the pipeline system. See also note 10 below.

3. TURNOVER

Turnover, which is stated net of value added tax, is all generated within the United Kingdom.

4. OPERATING PROFIT

An audit fee of £1,000 was paid by the shareholders in 2018 (2017: £1,000).

5. TAXATION

The company does not make a profit or a loss and accordingly there is no current or deferred tax arising.

6. EMOLUMENTS OF DIRECTORS

None of the Directors received any fees or other emoluments from the Company (previous financial year: £nil).

UNITED KINGDOM OIL PIPELINES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Registered No. 746708

7. CALLED UP SHARE CAPITAL

Authorised, allotted, called up and fully paid Ordinary Shares of £0.01 each (2017 £0.01).	<u>31 December</u> <u>2018</u> <u>£</u>	<u>31 December</u> <u>2017</u> <u>£</u>
BP Oil UK Limited	66.30	66.30
Total UK Limited	7.58	7.58
Shell U.K. Limited	95.34	95.34
Valero Energy Ltd	30.78	30.78
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8. PROFIT AND LOSS ACCOUNT

The profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments

9. CONTINGENT LIABILITIES

There are at any one time a number of issues relating to land compensation claims that may result in additional expenditure in future years. These items are handled as routine operational matters through the Participants Co-ordinating Committee. No such contingencies exist at the year end.

10. RELATED PARTY TRANSACTIONS

During the year the company entered into transactions with related parties, in the ordinary course of business and at arms length. Transactions entered into for the year ended 31 December are as follows.

	<u>Sales</u>	<u>Purchases</u>
British Pipeline Agency Limited		
2018	£20,825,870	£20,825,870
2017	£18,676,761	£18,676,761

11. CONTROLLING PARTY

The shareholders have the right to appoint Directors, but no one shareholder has the right to appoint a majority of Directors; therefore there is no controlling party. The Company has, by virtue of its Agency Agreement, transferred its operational responsibilities to British Pipeline Agency Limited (see note 1), which is directly related to two of the Company's shareholders, Shell U.K. Limited and BP Oil UK Limited.