

Registered number  
02565067

Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)

Report and Accounts

31 October 2013

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**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Report and accounts**  
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**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Company Information**

**Directors**

M C L Blackhall

A M Mclean

J Prentice

**Secretary**

A M Mclean

**Auditors**

Wesley Cooper Limited

Parker House

44 Stafford Road

Wallington

Surrey

SM6 9AA

**Registered office**

Unit 5

Centurion Way

Erith

Kent

DA18 4AF

**Registered number**

02565067

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Registered number:** 02565067  
**Strategic Report**

The directors present their strategic report for the year ended 31 October 2013.

**Review of the business**

The company's principal activity during the year continued to be the manufacture and distribution of hygienic wipes and associated products.

**Results and performance**

Turnover has shown an increase of 10.8% (2012-increase of 3-4%) during the year, which the company believe to be as a result of the ongoing product development, flexibility to meet clients demands without the loss of quality. It has also been achieved with related party sales increasing by 5% and represents 30% of the turnover.

**Principal risks and uncertainties**

The directors' consider the principal risks and uncertainties facing Allied Hygiene Systems Limited to be their ability to fulfil orders on a timely and cost effective manner, the increasing cost of raw materials and maintaining customer service. The continued tight control on production during the year has enabled the company to consolidate from increased efficiency achieved in previous years which enables them to fulfil orders more effectively and the directors are constantly reviewing alternative sources of supply and invest in training support of the staff.

**Key performance indicators**

The directors consider the key performance indicators to be the gross profit and net profit return after tax; this is shown by the gross profit percentage amounting to 26% (2012 - 26%) is in line with expectations as the company have not compromised on quality and sustained their efficiency. The net profit after tax percentage has increased to 1.1% (2012 - 0.3%) which meets with expectations as the company continue to recognise the importance of investment and training in the right personnel to maintain standards and service the increased turnover.

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**

**Registered number:** 02565067

**Strategic Report**

**Future developments**

The directors aim to consolidate the management policies, which have resulted in the company's commitment to quality and service and continue to increase turnover within the current trading conditions whilst maintaining their margins.

The company also continues to develop its products and quality to make it more competitive. In addition, the ability to be flexible to meet customer demands increases its unique selling criteria.

The company is to continue to focus on production efficiency and sourcing raw materials which has continued in the use of suppliers from around the world and in particular China.

The company also intends to continue its investment and training in the right personnel to achieve its objectives. In November 2013 the company restructured following negotiations with the external shareholder for the company to purchase his shares. This has enabled the company to take the opportunity to merge two of the related parties, Allied Hygiene Ltd and Allied Hygiene Europe Ltd. This will simplify procedures and enable the company to supply to the customer base directly.

It is expected this will result in an increase in turnover, but more significantly an increase in bottom-line profitability. It also reduces the risk of being reliant on the respective related party for the contribution to turnover.

In addition, the company changes its name to Allied Hygiene Systems Ltd to better reflect its operations.

This report was approved by the board on 28 July 2014 and signed on its behalf.

M C L Blackhall  
Director



**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**

**Registered number:** 02565067

**Directors' Report**

The directors present their report and accounts for the year ended 31 October 2013.

**Future developments**

Likely future developments in the company business are discussed in the strategic report.

**Dividends**

The directors do not recommend the payment of a final dividend.

**Directors**

The following persons served as directors during the year:

M C L Blackhall  
A M Mclean  
J Prentice

**Directors' responsibilities**

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 enable them to ensure that the accounts 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.

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 28 July 2014 and signed on its behalf.

M C L Blackhall  
Director



**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Independent auditors' report**  
**to the shareholders of Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**

We have audited the accounts of Allied Hygiene Systems Limited (formerly Allied Paper Products Limited) for the year ended 31 October 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the accounts**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on the accounts**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2013 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.

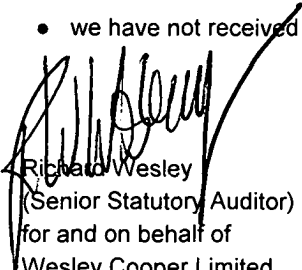
**Opinion on other matters prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
Richard Wesley  
(Senior Statutory Auditor)  
for and on behalf of  
Wesley Cooper Limited  
Accountants and Statutory Auditors  
28 July 2014

Parker House  
44 Stafford Road  
Wallington  
Surrey  
SM6 9AA

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Profit and Loss Account**  
**for the year ended 31 October 2013**

	Notes	2013 £	2012 £
<b>Turnover</b>	2	9,081,693	8,779,229
Cost of sales		(6,701,311)	(6,466,809)
<b>Gross Profit</b>		<u>2,380,382</u>	<u>2,312,420</u>
Administrative expenses		(2,235,728)	(2,200,658)
<b>Operating profit</b>	3	<u>144,654</u>	<u>111,762</u>
Interest payable	6	(2,700)	(7,543)
<b>Profit on ordinary activities before taxation</b>		<u>141,954</u>	<u>104,219</u>
Taxation	7	(40,185)	(30,987)
<b>Profit on ordinary activities after taxation</b>		<u>101,769</u>	<u>73,232</u>

**Continuing operations**

None of the company's activities were acquired or discontinued during the above two financial years.

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than the profit for the above two financial years.

The notes on pages 9 to 19 form part of these financial statements



**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Balance Sheet**  
**as at 31 October 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	8	514,457	614,617
<b>Current assets</b>			
Stocks	9	1,379,094	1,281,606
Debtors	10	2,498,135	2,591,720
Cash at bank and in hand		32,104	56
		<u>3,909,333</u>	<u>3,873,382</u>
<b>Creditors: amounts falling due within one year</b>	11	(3,310,475)	(3,453,406)
<b>#NAME?</b>		<u>598,858</u>	<u>419,976</u>
<b>Total assets less current liabilities</b>		<u>1,113,315</u>	<u>1,034,593</u>
<b>Creditors: amounts falling due after more than one year</b>	12	(25,380)	(37,233)
<b>Provisions for liabilities</b>			
Deferred taxation	14	(23,309)	(34,503)
<b>#NAME?</b>		<u>1,064,626</u>	<u>962,857</u>
<b>Capital and reserves</b>			
Called up share capital	15	10,692	10,692
Profit and loss account	16	1,053,934	952,165
<b>Shareholders' funds</b>	18	<u>1,064,626</u>	<u>962,857</u>

M C L Blackhall

Director

The financial statements were approved and authorised for issue by the by the board on 28 July 2014



The notes on pages 9 to 19 form part of these financial statements

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Cash Flow Statement**  
**for the year ended 31 October 2013**

	Notes	2013 £	2012 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		144,654	111,762
Depreciation and amortisation		104,263	107,374
#NAME?		(97,488)	(206,444)
#NAME?		93,585	(489,708)
Increase in creditors		43,115	320,782
<b>Net cash inflow/(outflow) from operating activities</b>		<u>288,129</u>	<u>(156,234)</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow/(outflow) from operating activities</b>		288,129	(156,234)
<b>Returns on investments and servicing of finance</b>	19	(2,700)	(7,543)
<b>Taxation</b>		(59,745)	-
<b>Capital expenditure</b>	19	<u>(4,103)</u>	<u>(26,106)</u>
		221,581	(189,883)
<b>Financing</b>	19	(20,876)	(14,901)
<b>Increase/(decrease) in cash</b>		<u>200,705</u>	<u>(204,784)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Increase/(decrease) in cash in the period		200,705	(204,784)
Decrease in debt and lease financing		20,876	14,901
<b>Change in net debt</b>	20	<u>221,581</u>	<u>(189,883)</u>
<b>Net debt at 1 November</b>		<u>(1,244,659)</u>	<u>(1,054,776)</u>
<b>Net debt at 31 October</b>		<u>(1,023,078)</u>	<u>(1,244,659)</u>

The notes on pages 9 to 19 form part of these financial statements

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention.

***Turnover***

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

***Depreciation***

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold improvements	10% straight line
Plant and machinery	10% - 25% straight line
Freehold property	2% straight line

***Stocks***

Stock of raw materials, finished goods and work in progress is valued at the lower of cost and net realisable value. Stock of raw materials are based on cost of purchase. Stock of finished goods is based on direct cost plus direct production costs on a first in first out basis. Work in progress is valued at cost plus a proportion of direct production cost based on stage of completion. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**1 Accounting policies (continued)**

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

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

***Pensions***

The company operates a money purchase pension scheme. Contributions are charged to the profit and loss account as they are paid.

***Factored debts***

Separate presentation has been adopted due to the with recourse agreement. The gross asset (equivalent to the gross amount of the debts) is shown in note 10 as a debtor and a corresponding liability in respect of the proceeds received from the factor is shown in note 11. The interest element of the factor's charges and other factoring costs are charged to the profit and loss account.

**2 Analysis of turnover**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
By activity:		
Hygiene product sales	9,081,693	8,779,229
	<u>9,081,693</u>	<u>8,779,229</u>
By geographical market:		
UK	8,840,680	8,504,419
Europe	203,068	234,594
Rest of world	37,945	40,216
	<u>9,081,693</u>	<u>8,779,229</u>

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>3 Operating profit</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	86,671	87,374
Depreciation of assets held under finance leases and hire purchase contracts	17,592	20,000
#NAME?	-	(1,581)
Operating lease rentals - plant and machinery	83,860	85,040
Auditors' remuneration for audit services	9,000	9,000
	<hr/>	<hr/>
<b>4 Directors' emoluments</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Emoluments	67,829	67,709
Company contributions to money purchase pension schemes	5,000	5,000
	<hr/>	<hr/>
	72,829	72,709
	<hr/>	<hr/>
<b>Number of directors in company pension schemes:</b>	<b>2013</b>	<b>2012</b>
	<b>Number</b>	<b>Number</b>
Money purchase schemes	1	1
	<hr/>	<hr/>
<b>5 Staff costs</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,088,430	1,053,959
Social security costs	104,771	103,917
Other pension costs	5,000	4,713
	<hr/>	<hr/>
	1,198,201	1,162,589
	<hr/>	<hr/>
<b>5 Staff costs (continued)</b>		
<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Administration	14	14
Manufacturing	25	23
Sales	4	4
	<hr/>	<hr/>
	43	41
	<hr/>	<hr/>
<b>6 Interest payable</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Finance charges payable under finance leases and hire purchase contracts	2,700	7,543
	<hr/>	<hr/>

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>7 Taxation</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	51,194	39,696
Adjustments in respect of previous periods	185	(12)
	<u>51,379</u>	<u>39,684</u>
Deferred tax:		
Origination and reversal of timing differences	(11,194)	(8,697)
	<u>40,185</u>	<u>30,987</u>
<b>#NAME?</b>		

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>141,954</u>	<u>104,219</u>
Standard rate of corporation tax in the UK	24%	24%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	34,069	25,013
Effects of:		
Expenses not deductible for tax purposes	17,125	14,683
Adjustments to tax charge in respect of previous periods	185	(12)
Current tax charge for period	<u>51,379</u>	<u>39,684</u>

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**8 Tangible fixed assets**

	<b>Plant and machinery £</b>	<b>Freehold building £</b>	<b>Leasehold improvts £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 November 2012	1,109,961	253,853	158,336	1,522,150
Additions	4,103	-	-	4,103
At 31 October 2013	<u>1,114,064</u>	<u>253,853</u>	<u>158,336</u>	<u>1,526,253</u>
<b>Depreciation</b>				
At 1 November 2012	771,962	53,997	81,574	907,533
Charge for the year	84,827	5,077	14,359	104,263
At 31 October 2013	<u>856,789</u>	<u>59,074</u>	<u>95,933</u>	<u>1,011,796</u>
<b>Net book value</b>				
At 31 October 2013	<u>257,275</u>	<u>194,779</u>	<u>62,403</u>	<u>514,457</u>
At 31 October 2012	<u>337,999</u>	<u>199,856</u>	<u>76,762</u>	<u>614,617</u>

	<b>2013 £</b>	<b>2012 £</b>
Net book value of fixed assets included above held under finance leases and hire purchase contracts	<u>44,418</u>	<u>108,747</u>

**9 Stocks**

	<b>2013 £</b>	<b>2012 £</b>
Raw materials and consumables	1,248,584	1,146,167
Finished goods and goods for resale	<u>130,510</u>	<u>135,439</u>
	<u>1,379,094</u>	<u>1,281,606</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**10 Debtors**

	<b>2013 £</b>	<b>2012 £</b>
Trade debtors	2,088,773	2,204,758
Amounts owed from related parties	348,854	338,854
Other debtors	<u>60,508</u>	<u>48,108</u>
	<u>2,498,135</u>	<u>2,591,720</u>
Factored debts included in Trade Debtors above	<u>1,230,484</u>	<u>1,444,652</u>

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>11 Creditors: amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amount due to debt factor	1,016,838	1,073,182
Bank loans and overdrafts	-	112,313
Obligations under finance lease and hire purchase contracts	12,964	21,987
Trade creditors	1,268,768	1,275,526
Amounts owed to related parties	762,697	712,060
Corporation tax	54,279	62,645
Other taxes and social security costs	170,785	177,184
Accruals and deferred income	24,144	18,509
	<u>3,310,475</u>	<u>3,453,406</u>
<b>12 Creditors: amounts falling due after one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Obligations under finance lease and hire purchase contracts	<u>25,380</u>	<u>37,233</u>
<b>13 Secured liabilities</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Aggregate of secured liabilities	<u>1,055,182</u>	<u>1,244,715</u>
<b>13 Obligations under finance leases and hire purchase contracts</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts payable:		
Within one year	12,964	21,987
Within two to five years	25,380	37,233
	<u>38,344</u>	<u>59,220</u>
<b>14 Deferred taxation</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<u>23,309</u>	<u>34,503</u>
Undiscounted provision for deferred tax	<u>23,309</u>	<u>34,503</u>
	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At 1 November	34,503	43,200
Deferred tax charge in profit and loss account	(11,194)	(8,697)
	<u>23,309</u>	<u>34,503</u>
At 31 October	<u>23,309</u>	<u>34,503</u>



**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

<b>15 Share capital</b>	<b>Nominal value</b>	<b>2013 Number</b>	<b>2013 £</b>	<b>2012 £</b>
Allotted, called up and fully paid:				
A Ordinary shares	£1 each	10,560	10,560	10,560
B Ordinary shares	£1 each	132	132	132
			<u>10,692</u>	<u>10,692</u>

<b>16 Profit and loss account</b>	<b>2013 £</b>	<b>2012 £</b>
At 1 November 2012	952,165	878,933
Profit for the financial year	101,769	73,232
At 31 October 2013	<u>1,053,934</u>	<u>952,165</u>

<b>17 Dividends</b>	<b>2013 £</b>	<b>2012 £</b>
Analysis of dividends by type:		
Equity dividends	<u>-</u>	<u>-</u>

<b>18 Reconciliation of movement in shareholders' funds</b>	<b>2013 £</b>	<b>2012 £</b>
At 1 November	962,857	889,625
Profit for the financial year	101,769	73,232
At 31 October	<u>1,064,626</u>	<u>962,857</u>

<b>19 Gross cash flows</b>	<b>2013 £</b>	<b>2012 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest element of finance lease rental payments	<u>(2,700)</u>	<u>(7,543)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	(4,103)	(72,045)
Receipts from sales of tangible fixed assets	-	45,939
	<u>(4,103)</u>	<u>(26,106)</u>
<b>Financing</b>		
Capital element of finance lease rental payments	<u>(20,876)</u>	<u>(14,901)</u>

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**20 Analysis of changes in net debt**

	At 1 Nov 2012 £	Cash flows £	Non-cash changes £	At 31 Oct 2013 £
Cash at bank and in hand	56	32,048		32,104
Overdrafts	(112,313)	112,313		-
Debt factoring	(1,073,182)	56,344		(1,016,838)
		144,361		
Finance leases	(59,220)	20,876		(38,344)
Total	(1,244,659)	165,237	-	(1,023,078)

**21 Other financial commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Other 2013 £	Other 2012 £
Operating leases which expire:		
within one year	45,358	24,907
within two to five years	26,567	52,910
in over five years	504	-
	72,429	77,817

**22 Contingent liabilities**

The company has cross guaranteed the bank overdraft and loans of A D Disposables Limited, Global Hygiene Products Limited and Allied Commercial Properties Ltd. A M Mclean is a director of all companies, M Blackhall is a director of Global Hygiene Products Ltd and Allied Commercial Properties Ltd and J Prentice a director of Allied Commercial Properties Ltd.

At 31 October 2013 the total potential liability amounted to £2,236,802 (2012 - £3,094,104) .

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**22 Transactions with directors**

During the year the company paid rent of £11,897 (2012 - £11,897) for rental of business premises owned by the directors.

**23 Related party transactions**

**2013**                      **2012**  
**£**                              **£**

**A D Disposables Limited**

Related by virtue of A Mclean who is a shareholder and director of both companies

During the year the company sold goods and services	80,237	80,402
Amount due from related party at the year end	<u>23,941</u>	<u>17,490</u>

During the year the company purchased goods and services	662,692	800,439
Amount due to related party at the year end	<u>69,614</u>	<u>170,105</u>

Loan balance due from the related party at the year end	<u>145,660</u>	<u>145,660</u>
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**2013**                      **2012**  
**£**                              **£**

**Global Hygiene Products Limited**

Related by virtue of M Blackhall and A Mclean who are shareholders and directors of both companies

During the year the company sold goods and services	443,382	440,212
Amount due from related party at the year end	<u>86,291</u>	<u>59,229</u>

During the year the company purchased goods and services	13,400	810
Amount due to related party at the year end	<u>7,294</u>	<u>1,625</u>

Loan balance due from the related party at the year end	<u>52,193</u>	<u>52,193</u>
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**2013**                      **2012**

**Allied Hygiene Limited**

**£**                              **£**

Related by virtue of M Blackhall, A Mclean and J Prentice who are shareholders and directors of both companies

During the year the company sold goods and services	1,457,798	1,607,010
Amount due from related party at the year end	<u>454,978</u>	<u>223,232</u>

Loan balance due to related party at the year end	<u>762,697</u>	<u>712,060</u>
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**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**23 Related party transactions (continued)**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Allied Hygiene Europe Limited</b>		
Related by virtue of M Blackhall, A Mclean and J Prentice who are shareholders and directors of both companies		
During the year the company sold goods and services	731,608	478,070
Amount due from related party at the year end	<u>201,995</u>	<u>143,215</u>
During the year the company purchased goods and services	5,313	735
Amount due to related party at the year end	<u>5,159</u>	<u>-</u>

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>C &amp; D Limited</b>		
Related by virtue of A Mclean who is a shareholder and director of both companies		
During the year the company sold goods and services	23,368	12,937
Amount due from related party at the year end	<u>5,257</u>	<u>2,615</u>
During the year the company purchased goods and services	31,472	41,232
Amount due to related party at the year end	<u>12,675</u>	<u>14,066</u>

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Intacare Hygiene Limited</b>		
Related by virtue of M Blackhall and A Mclean who are shareholders and directors of both companies		
During the year the company sold goods and services	68,522	59,432
Amount due from related party at the year end	<u>12,626</u>	<u>10,063</u>
During the year the company purchased goods and services	4,660	4,849
Amount due to related party at the year end	<u>1,493</u>	<u>2,200</u>

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Allied Commercial Properties Limited</b>		
Related by virtue of M Blackhall, A Mclean and J Prentice who are shareholders and directors of both companies		
Loan balance due from the related party at the year end	<u>151,000</u>	<u>151,000</u>
During the year paid rental for property let from related party	<u>395,000</u>	<u>380,103</u>

The loans above are interest free and are repayable on demand.

**Allied Hygiene Systems Limited (formerly Allied Paper Products Limited)**  
**Notes to the Accounts**  
**for the year ended 31 October 2013**

**23 Related party transactions (continued)**

<b>Allied Tissue Limited</b>	<b>2013</b>	<b>2012</b>
Related by virtue of M Blackhall, A Mclean and J Prentice who are shareholders and directors of both companies	£	£
During the year the company purchased goods and services	11,588	5,837
Amount due to related party at the year end	<u>1,033</u>	<u>6,644</u>

**24 Post Balance Sheet Event**

The company agreed to purchase the shares of the minority shareholder in November 2013 but this does not have a material impact on these financial statements.

**25 Controlling party**

The directors' control the entity by virtue of their shareholdings and directorships. No individual is considered to be the ultimate controlling party.