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Financial Statements G W Atkins & Sons Limited

For the Year Ended 31 October 2016

Registered number: 00944323

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Company Information

Directors	C R F Shield P P Danes
Company secretary	C R F Shield
Registered number	00944323
Registered office	365 Fosse Way Syston Leicester LE7 1NL
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH
Bankers	National Westminster Bank plc 1 Granby Street Leicester LE1 9GT

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Strategic Report

For the Year Ended 31 October 2016

Introduction

The principal activity of the year under review was that of the production and sale of precision aluminium components. The company commenced its trading on 26 June 2015 and the comparative period reflects four month period of trade.

Business review

The business has experienced some very challenging trading through the period due to reduced customer demand from the global slowdown in capital equipment. Since the year end some recovery in volumes has been experienced and the management anticipates that this will continue for a meaningful period. The business is pleased to have been awarded a number of major projects from across the automotive sector which will deliver growth in the medium term. The company is in the process of installing a major new investment into the facility which should allow further growth of the business and customer base.

Principal risks and uncertainties

The key risks and uncertainties affecting the company are considered to relate to competition from overseas suppliers, global demand for our customer products and raw material costs. The company is well positioned with a capable supply chain, strong workforce and management team and growing reserves to meet these challenges allowing continual investment into the future.

Financial key performance indicators

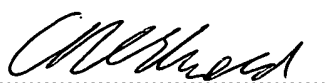
Turnover for the company fell by 8% in 2016 on a pro rata basis. The directors are satisfied with the overall level of turnover in light of challenging trading conditions.

The gross margin for 2016 is 17% (2015 - 11%) and the increase is due to improved cost controls.

Other key performance indicators

There are no significant non-financial key performance indicators which are relevant to understanding the position of the business.

This report was approved by the board on 26 April 2017 and signed on its behalf.



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C R F Shield
Director

Directors' Report

For the Year Ended 31 October 2016

The directors present their report and the financial statements for the year ended 31 October 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the 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 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.

Results and dividends

The loss for the year, after taxation, amounted to £619,599 (2015 - loss £383,526).

The directors do not recommend payment of an ordinary dividend.

Directors

The directors who served during the year were:

C R F Shield
P P Danes

Future developments

Future developments have been detailed in the strategic report.

Directors' Report (continued)

For the Year Ended 31 October 2016

Financial instruments

The company uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as trade debtors, hire purchase, trade creditors and inter-company loans that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company's financial instruments are credit risk, liquidity risk and interest rate risk. The directors review agreed policies for managing each of these risks and they are summarized below. The policies have remained unchanged from previous periods.

Credit risk

In order to limit credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Debtor balances are reviewed on a regular basis in conjunction with debt ageing and collection history.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and by investing cash assets safely and profitably.

Interest rate risk

The company finances its operations through a mixture of retained profits, invoice discounting, hire purchase and inter-company loans. The company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Post balance sheet events

There have been no significant events affecting the Company since the year end other than a group restructure as detailed in note 22.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26 April 2017 and signed on its behalf.



C R F Shield
Director



Independent Auditor's Report to the Members of G W Atkins & Sons Limited

We have audited the financial statements of G W Atkins & Sons Limited for the year ended 31 October 2016, which comprise the Profit and loss account, the Statement of other comprehensive income, the Balance sheet, the Statement of changes in equity 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditor

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. 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 financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2016 and of its loss 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 matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of G W Atkins & Sons Limited

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.

Grant Thornton UK LLP

K G Bathia (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Leicester

26 April 2017

Profit and Loss Account

For the Year Ended 31 October 2016

	Note	2016 £	2015 £
Turnover	4	9,404,345	3,406,462
Cost of sales		(7,809,396)	(3,044,702)
Gross profit		1,594,949	361,760
Administrative expenses		(2,225,931)	(737,469)
Other operating income	5	20,692	3,333
Operating loss	6	(610,290)	(372,376)
Tax on loss on ordinary activities	10	(9,309)	(11,150)
Loss for the year		(619,599)	(383,526)

The notes on pages 10 to 21 form part of these financial statements.

Statement of Other Comprehensive Income

For the Year Ended 31 October 2016


	Note	2016 £	2015 £
Loss for the financial year		<u>(619,599)</u>	<u>(383,526)</u>
Other comprehensive income		<u></u>	<u></u>
Total comprehensive income for the year		<u><u>(619,599)</u></u>	<u><u>(383,526)</u></u>

Balance Sheet

As at 31 October 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	11	3,662,762	3,547,537
		<u>3,662,762</u>	<u>3,547,537</u>
Current assets			
Stocks	12	933,959	1,100,455
Debtors: amounts falling due within one year	13	2,875,601	2,162,720
Cash at bank and in hand	14	272,906	419,139
		<u>4,082,466</u>	<u>3,682,314</u>
Creditors: amounts falling due within one year	15	(8,263,548)	(7,133,743)
Net current liabilities		<u>(4,181,082)</u>	<u>(3,451,429)</u>
Total assets less current liabilities		<u>(518,320)</u>	<u>96,108</u>
Provisions for liabilities			
Deferred tax	16	(16,321)	(11,150)
		<u>(16,321)</u>	<u>(11,150)</u>
Net (liabilities)/assets		<u><u>(534,641)</u></u>	<u><u>84,958</u></u>
Capital and reserves			
Called up share capital	17	60,000	60,000
Profit and loss account	18	(594,641)	24,958
		<u>(534,641)</u>	<u>84,958</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 April 2017.


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C R F Shield
Director

The notes on pages 10 to 21 form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 October 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2015	60,000	24,958	84,958
Comprehensive income for the year			
Loss for the year	-	(619,599)	(619,599)
Other comprehensive income for the year			
	-	-	-
Total comprehensive income for the year	-	(619,599)	(619,599)
Total transactions with owners	-	-	-
At 31 October 2016	60,000	(594,641)	(534,641)

Statement of Changes in Equity

For the Year Ended 31 October 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2014	60,000	408,484	468,484
Comprehensive income for the year			
Loss for the year	-	(383,526)	(383,526)
Other comprehensive income for the year			
	-	-	-
Total comprehensive income for the year	-	(383,526)	(383,526)
Total transactions with owners	-	-	-
At 31 October 2015	60,000	24,958	84,958

The notes on pages 10 to 21 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 October 2016

1. General information

The principal activity of the year under review was that of the production and sale of precision aluminium components. The company is registered in England and its registered office is 365 Fosse Way, Syston, Leicester, LE7 1NL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with 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 FRS 102 is given in note 23.

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 company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland":

- the requirements of Section 7 Statement of Cashflows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of R A Shield Holdings Limited for the year ended 31 October 2016, and their financial statements may be obtained from R A Shield Holdings Limited, 365 Fosse Way, Syston, Leicestershire LE7 1NL.

The following principal accounting policies have been applied:

2.2 Going concern

The company made a loss in the year and has net liabilities. Notwithstanding this, the directors believe that it is appropriate to adopt the going concern basis in the preparation of the financial statements. In reaching this conclusion the directors have taken into account the group support provided together with the future prospects of the business.

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised when goods are despatched.

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.

Notes to the Financial Statements

For the Year Ended 31 October 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets 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:

Freehold property	- 2% on cost
Plant & machinery	- 7 years straight line
Motor vehicles	- 3 years straight line
Fixtures & fittings	- 3 years 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 Profit and loss account.

2.5 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.6 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.

2.7 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.

Notes to the Financial Statements

For the Year Ended 31 October 2016

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instruments 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.

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 Profit and loss account.

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, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

2.9 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.

Notes to the Financial Statements

For the Year Ended 31 October 2016

2. Accounting policies (continued)

2.10 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 Profit and loss account 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 Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and loss account 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.

2.12 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 Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements

For the Year Ended 31 October 2016

2. Accounting policies (continued)

2.13 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 Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet 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 Balance sheet.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 balance sheet 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 Balance sheet 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 balance sheet date.

Notes to the Financial Statements

For the Year Ended 31 October 2016

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

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements on applying accounting policies:

- the directors must judge whether all the conditions required for turnover to be recognised in the profit and loss account of the financial year, as set out in note 2.2 above, have been met.

Sources of estimation uncertainty:

- depreciation rates are based on estimates of the useful lives and residual values of the assets involved (see note 2.3);
- slow moving stock provisions are based on estimates of the likely recoverable amounts (see note 2.4).

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Sales	9,404,345	3,406,462
	<u>9,404,345</u>	<u>3,406,462</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2016 £	2015 £
Net rents receivable	20,692	3,333
	<u>20,692</u>	<u>3,333</u>

6. Operating loss

The operating loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	94,008	27,582
Exchange differences	9,586	4,237
Defined contribution pension cost	66,365	26,753
	<u>169,959</u>	<u>58,572</u>

Notes to the Financial Statements

For the Year Ended 31 October 2016

7. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>11,000</u>	<u>12,000</u>

8. Employees

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

	2016 £	2015 £
Wages and salaries	3,146,471	1,017,418
Social security costs	261,392	85,425
Cost of defined contribution scheme	66,365	26,753
	<u>3,474,228</u>	<u>1,129,596</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Production	85	120
Admin	64	36
	<u>149</u>	<u>156</u>

9. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	108,694	11,831
Company contributions to defined contribution pension schemes	4,900	-
	<u>113,594</u>	<u>11,831</u>

During the year retirement benefits were accruing to no directors (2015 - NIL) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the Year Ended 31 October 2016

10. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	4,138	-
	<u>4,138</u>	<u>-</u>
Total current tax	<u>4,138</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	5,171	11,150
Total deferred tax	<u>5,171</u>	<u>11,150</u>
Taxation on profit on ordinary activities	<u>9,309</u>	<u>11,150</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	<u>(610,290)</u>	<u>(372,376)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	(122,058)	(74,475)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	1,832
Fixed asset differences	(10,552)	(2,185)
Group relief	141,919	85,978
Total tax charge for the year	<u>9,309</u>	<u>11,150</u>

Notes to the Financial Statements

For the Year Ended 31 October 2016

11. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 November 2015	3,100,910	474,209	-	-	3,575,119
Additions	-	205,922	15,333	9,080	230,335
Disposals	-	(21,102)	-	-	(21,102)
At 31 October 2016	<u>3,100,910</u>	<u>659,029</u>	<u>15,333</u>	<u>9,080</u>	<u>3,784,352</u>
Depreciation					
At 1 November 2015	5,000	22,582	-	-	27,582
Charge for the period on owned assets	15,000	72,999	2,982	3,027	94,008
At 31 October 2016	<u>20,000</u>	<u>95,581</u>	<u>2,982</u>	<u>3,027</u>	<u>121,590</u>
Net book value					
At 31 October 2016	<u>3,080,910</u>	<u>563,448</u>	<u>12,351</u>	<u>6,053</u>	<u>3,662,762</u>
At 31 October 2015	<u>3,095,910</u>	<u>451,627</u>	<u>-</u>	<u>-</u>	<u>3,547,537</u>

12. Stocks

	2016 £	2015 £
Raw materials and consumables	435,097	551,028
Work in progress (goods to be sold)	466,580	392,025
Finished goods and goods for resale	32,282	157,402
	<u>933,959</u>	<u>1,100,455</u>

Stock recognised in cost of sales during the year as an expense was £4,007,889 (2015: £1,786,050).

A stock provision of £94,032 (2015: £205,127) was offset against stock.

Notes to the Financial Statements

For the Year Ended 31 October 2016

13. Debtors

	2016 £	2015 £
Trade debtors	2,693,008	2,017,765
Other debtors	17,860	-
Prepayments and accrued income	164,733	144,955
	<u>2,875,601</u>	<u>2,162,720</u>

A bad debt provision of £Nil (2015: - £Nil) was offset against trade debtors and the cost recognised within administrative expenses.

14. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	272,906	419,139
	<u>272,906</u>	<u>419,139</u>

15. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	2,037,974	1,224,157
Amounts owed to group undertakings	5,941,526	5,411,325
Corporation tax	4,138	-
Taxation and social security	83,558	181,532
Other creditors	800	21,779
Accruals and deferred income	195,552	294,950
	<u>8,263,548</u>	<u>7,133,743</u>

Notes to the Financial Statements

For the Year Ended 31 October 2016

16. Deferred taxation

	2016 £	2015 £
At beginning of year	(11,150)	-
Charged to profit or loss	(5,171)	(11,150)
At end of year	(16,321)	(11,150)

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(17,331)	(11,150)
Other timing differences	1,010	-
	(16,321)	(11,150)

17. Share capital

	2016 £	2015 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
60,000 Ordinary shares of £1 each	60,000	60,000

18. Reserves

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

19. Capital commitments

At 31 October 2016 the Company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	712,706	58,194
	712,706	58,194

Notes to the Financial Statements

For the Year Ended 31 October 2016

20. Pension commitments

The company operates a defined contributions 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 £66,365 (2015 - £26,753).

21. Related party transactions

The company has taken advantage of the exemption available in FRS 102 Section 33 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

22. Ultimate parent undertaking and controlling party

At the year end the company was controlled by its parent company, Shield Engineering (Syston) Limited and the ultimate parent company was R A Shield Holdings Limited. Following a group restructure after the year end the parent company is G W Atkins & Sons Holdings Limited which is controlled by C R F Shield.

23. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.