

Company Registration No. 01207254 (England and Wales)

BKW INSTRUMENTS LIMITED

**REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2014**

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BKW INSTRUMENTS LIMITED

COMPANY INFORMATION

Directors	Mr G Roberts Mr P E Baker Mr M G Honeyford Mrs L Nicholls Mr M Nicholls Mrs C J Baker
Secretary	Mr M G Honeyford
Company number	01207254
Registered office	Weymouth Road Winton Eccles Manchester M30 8NN
Auditors	Baker Tilly UK Audit LLP Bluebell House Brian Johnson Way Preston Lancashire England PR2 5PE
Business address	Weymouth Road Winton Eccles Manchester M30 8NN

BKW INSTRUMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present the strategic report and financial statements for the year ended 31 December 2014.

Review of the business

The directors are pleased to report that we have been able to maintain satisfactory performance during the year despite the disruption from the substantial investment in our new offices and factory. The investment in the new factory equipment, within the new production areas will increase the company's capacity, efficiency and productivity. We were also pleased that this complex investment was completed on time and within budget.

Principal risks and uncertainties

Continued uncertainty relating to global oil prices, has the potential to negatively impact economic development in this market. However, BKW operate across a broad range of markets, many of which will benefit from the reduction in the oil price, we expect this will help to mitigate most of the effect of a slow down with our Oil and Gas related customers.

Development and performance

Following on from this major building redevelopment programme, we are now heavily involved in ensuring effective implementation of our ongoing Continual Improvements programme. This is expected to bring about further significant improvements to our productivity and competitiveness whilst at the same time enhancing the service we provide our customers.

Key performance indicators

Despite the disruption caused by the redevelopment programme, we have been able to maintain both our turnover of £7,812,444 (2013 - £7,879,517) and gross margin levels 38.4% (2013 - 38.9%), which is very encouraging.

On behalf of the board



.....
Mr M G Honeyford

Director

23/1/15.....

BKW INSTRUMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The directors present their report and financial statements for the year ended 31 December 2014.

Principal activities

The principal activity of the company during the year was as a manufacturer specialising in pressure and temperature measuring instrumentation including the assembly of components.

Results and dividends

The company's trading profit for the year, after taxation, was £595,466 (2013 profit £483,461).

Details of dividends paid are included in note 9.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr G Roberts
Mr P E Baker
Mr M G Honeyford
Mrs L Nicholls
Mr M Nicholls
Mrs C J Baker

Financial instruments

The company is exposed to a moderate level of price risk, credit risk, liquidity risk and cash flow risk. The company manages these risks by financing its operations through retained profits, supplemented by an overdraft and bank loans and hire purchase agreements where necessary to fund expansion or capital expenditure programmes.

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the company's trading activities.

The company does not use any hedging instruments.

Auditors

Baker Tilly UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

BKW INSTRUMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Strategic report

The information required by schedule 7 of the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

On behalf of the Board



.....
Mr M G Honeyford

Director

23/11/15.....

BKW INSTRUMENTS LIMITED

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

The directors are responsible for preparing the Strategic Report, 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 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 judgements 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BKW INSTRUMENTS LIMITED

We have audited the financial statements set out on pages 6 to 18. 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 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 more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 <http://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 December 2014 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 matter 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.

Julie Flintoff (Senior Statutory Auditor) *Baker Tilly UK Audit Ltd*
for and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor

Chartered Accountants

Bluebell House

Brian Johnson Way

Preston

Lancashire

England

PR2 5PE

23.7.15

BKW INSTRUMENTS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover	2	7,812,444	7,879,517
Cost of sales		(4,656,474)	(4,812,294)
Gross profit		3,155,970	3,067,223
Distribution costs		(439,038)	(424,548)
Administrative expenses		(2,199,699)	(2,025,403)
Other operating income (including exceptional items of £229,996)		229,996	-
Operating profit (including exceptional items of £229,996)		747,229	617,272
Interest receivable and similar income	3	461	911
Interest payable and similar charges	4	(54,909)	(6,355)
Profit on ordinary activities before taxation	5	692,781	611,828
Tax on profit on ordinary activities	8	(97,315)	(128,367)
Profit for the financial year	18	595,466	483,461

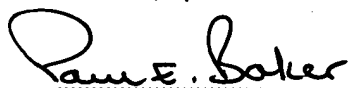
The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

BKW INSTRUMENTS LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	10	2,449,643		1,834,351	
Current assets					
Stocks	11	433,016		478,054	
Debtors	12	1,659,300		1,036,741	
Cash at bank and in hand		13,093		506,229	
		<u>2,105,409</u>		<u>2,021,024</u>	
Creditors: amounts falling due within one year	13	<u>(2,003,925)</u>		<u>(1,987,519)</u>	
Net current assets			101,484		33,505
Total assets less current liabilities			<u>2,551,127</u>		<u>1,867,856</u>
Creditors: amounts falling due after more than one year	14		(1,447,808)		(1,156,302)
Provisions for liabilities	15		<u>(185,422)</u>		<u>(104,822)</u>
Net assets			<u>917,897</u>		<u>606,732</u>
Capital and reserves					
Called up share capital	17		5,000		5,000
Other reserves	18		(300,000)		(300,000)
Profit and loss account	18		1,212,897		901,732
Shareholders' funds	19		<u>917,897</u>		<u>606,732</u>

The financial statements on pages 6 to 18 were approved by the board of directors and authorised for issue on 23.1.15 and are signed on its behalf by:



Mr P E Baker
Director

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The directors have concluded that it is appropriate to prepare the financial statements on a going concern basis as the company had adequate cash resources and financial projections indicate that the company will continue to trade within its existing bank overdraft, bank loan funding facilities and long term funding provided by the director.

Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

Turnover

The turnover shown in the profit and loss account represents the value of all goods sold during the year, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product have been transferred to the customer.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% straight line
Plant and machinery	10% straight line
Fixtures & fittings	15% straight line
Motor vehicles	20% straight line

Leasing and hire purchase commitments

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value, and are depreciated in accordance with the above depreciation policies.

Future instalments payable under such agreements, net of finance charges, are included within creditors. Rentals payable are apportioned between the capital element, which reduces the outstanding obligation included within creditors, and the finance element, which is charged to the profit and loss account.

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

Stock and work in progress

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the average costing method and includes the normal cost of transporting stock to its present location and condition.

Work in progress

Work in progress is valued on the basis of direct material and labour costs.

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies (Continued)

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Employee benefit trust

The company has established trusts for the benefit of employees and certain of their dependants. Monies held in these trusts are held by independent trustees and managed at their discretion.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

3	Interest receivable and similar income	2014	2013
		£	£
	Bank interest	461	911
		<u>461</u>	<u>911</u>
4	Interest payable and similar charges	2014	2013
		£	£
	On bank loans and overdrafts	40,427	127
	On other loans wholly repayable within five years	13,798	5,772
	Hire purchase interest	684	456
		<u>54,909</u>	<u>6,355</u>
5	Profit on ordinary activities before taxation	2014	2013
		£	£
	Profit on ordinary activities before taxation is stated after charging/ (crediting):		
	Depreciation of tangible fixed assets		
	- owned	110,519	81,649
	- held under finance leases and hire purchase contracts	37,135	9,360
	Loss on disposal of tangible assets	63	-
	Exchange losses/(gains) on foreign currency borrowings	11,210	(438)
	Operating lease rentals		
	- Plant and machinery	29,680	29,126
	Exceptional items included within other operating income	(229,996)	-
	Auditors' remuneration for statutory audit	5,045	4,250
		<u></u>	<u></u>

The amounts owed to the parent company, BKW (Holdings) Limited of £229,996 (2013 - £nil) has been forgiven in the year and the amount written back to the Profit and Loss Account. The directors consider this to be exceptional income.

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

6 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Administrative staff	17	19
Production staff	39	36
	<u>56</u>	<u>55</u>

Employment costs

	2014 £	2013 £
Wages and salaries	1,997,562	2,049,280
Social security costs	208,840	187,227
Other pension costs	94,000	82,201
	<u>2,300,402</u>	<u>2,318,708</u>

7 Directors' remuneration

	2014 £	2013 £
Remuneration for qualifying services	437,083	340,286
Company contributions to money purchase pension schemes	-	50,994
	<u>437,083</u>	<u>391,280</u>

The number of directors to whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2013 - 5).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>118,215</u>	<u>93,623</u>
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BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

8	Tax on profit on ordinary activities	2014 £	2013 £
	Current tax		
	U.K. corporation tax	16,715	74,251
	Total current tax	<u>16,715</u>	<u>74,251</u>
	Deferred tax		
	Origination and reversal of timing differences	80,600	54,116
	Total tax on profit on ordinary activities	<u>97,315</u>	<u>128,367</u>

Factors affecting the tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax (20%). The differences are explained below:

Profit on ordinary activities before taxation	692,781	611,828
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2013 - 23.00%)	<u>138,556</u>	<u>140,720</u>
Effects of:		
Expenses not deductible for tax purposes	2,288	2,138
Capital allowances in excess of depreciation	(78,130)	(60,218)
Marginal relief	-	(9,259)
Changes in tax rate	-	870
Write back of inter company loan	(45,999)	-
	<u>(121,841)</u>	<u>(66,469)</u>
Current tax charge for the year	<u>16,715</u>	<u>74,251</u>

The Chancellor of the Exchequer stated his intention to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 & to 20% from 1 April 2015. The company has measured its deferred tax liability at the end of the reporting period at 20%.

9	Dividends	2014 £	2013 £
	Final dividends paid on ordinary shares	<u>284,301</u>	<u>376,697</u>

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

10 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2014	1,211,283	749,383	332,546	80,123	2,373,335
Additions	577,352	51,469	134,849	184	763,854
Disposals	-	(4,355)	-	-	(4,355)
At 31 December 2014	1,788,635	796,497	467,395	80,307	3,132,834
Depreciation					
At 1 January 2014	60,579	340,755	115,282	22,368	538,984
On disposals	-	(3,447)	-	-	(3,447)
Charge for the year	7,982	70,842	54,013	14,817	147,654
At 31 December 2014	68,561	408,150	169,295	37,185	683,191
Net book value					
At 31 December 2014	1,720,074	388,347	298,100	43,122	2,449,643
At 31 December 2013	1,150,704	408,628	217,264	57,755	1,834,351

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£
Net book values				
At 31 December 2014	234,837	45,719	11,667	292,223
At 31 December 2013	264,810	50,926	21,250	336,986
Depreciation charge for the year				
At 31 December 2014	26,927	5,208	5,000	37,135
At 31 December 2013	4,459	1,151	3,750	9,360

11 Stocks

	2014 £	2013 £
Work in progress	76,960	28,078
Finished goods and goods for resale	356,056	449,976
	433,016	478,054

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

12 Debtors	2014	2013
	£	£
Trade debtors	1,548,717	956,809
Other debtors	98	-
Prepayments and accrued income	110,485	79,932
	<u>1,659,300</u>	<u>1,036,741</u>

13 Creditors: amounts falling due within one year	2014	2013
	£	£
Bank loans and overdrafts	167,379	143,583
Net obligations under hire purchase contracts	85,545	60,642
Trade creditors	1,435,549	1,113,702
Amounts owed to group undertakings	-	229,996
Corporation tax	16,715	74,251
Other taxation and social security costs	206,770	119,273
Accruals and deferred income	91,967	246,072
	<u>2,003,925</u>	<u>1,987,519</u>
Debt due in one year or less	<u>167,379</u>	<u>143,583</u>

The bank loan is secured by a debenture and first legal charge on the land and buildings owned by the company. Obligation under hire purchase agreements are secured on the assets concerned.

14 Creditors: amounts falling due after more than one year	2014	2013
	£	£
Bank loans	945,657	597,500
Other loans	382,777	377,000
Net obligations under hire purchase contracts	119,374	181,802
	<u>1,447,808</u>	<u>1,156,302</u>

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

14 Creditors: amounts falling due after more than one year

2014

2013
(Continued)

Included in the above are the following:

Analysis of debt maturity

Amounts payable:

In one year or less or on demand	167,379	143,583
In more than one year but not more than two years	124,343	-
In more than two years but not more than five years	373,029	373,539
In five years or more	448,285	223,961
	<u>1,113,036</u>	<u>741,083</u>

The company utilises two long term bank loans.

One bank loan is repayable in monthly instalments of £2,063, expiring January 2034.

The second bank loan is repayable in monthly instalments of £8,299, expiring December 2020.

Net obligations under hire purchase contracts

Amounts payable:

Within one year	85,545	60,642
	<u>85,545</u>	<u>60,642</u>
Included in liabilities falling due within one year	<u>(85,545)</u>	<u>(60,642)</u>

15 Provisions for liabilities

Deferred tax
liability
£

Balance at 1 January 2014	104,822
Profit and loss account	80,600
Balance at 31 December 2014	<u>185,422</u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>185,422</u>	<u>104,822</u>

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

16 Retirement Benefits

	2014 £	2013 £
Contributions payable by the company for the year	94,000	82,201

17 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
5,000 Ordinary shares of £1 each	5,000	5,000

18 Reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 January 2014	(300,000)	901,732
Profit for the year	-	595,466
Dividends paid	-	(284,301)
Balance at 31 December 2014	(300,000)	1,212,897

Other reserves

Reserves for own shares

Balance at 1 January 2014 & at 31 December 2014	(300,000)
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The investment in own shares at 31 December 2014 comprises 350 (2013 - 350) ordinary shares of £1 each in BKW (Holdings) Limited that are held by BKW Instruments Trustee Limited. The company has adopted UITF abstract 38 and in accordance with this abstract this investment has been shown as a deduction in shareholders' funds.

Employee Benefit Trust

The company has established an Employee Benefit Trust to facilitate the contentment, loyalty, retention, encouragement and incentivisation of its employees. In accordance with FRS 5 Reporting the Substance of Transactions the trust net assets of £nil (2013: £nil) have been incorporated into the company's balance sheet. There have been no transactions during the year.

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

19 Reconciliation of movements in shareholders' funds	2014 £	2013 £
Profit for the financial year	595,466	483,461
Dividends	(284,301)	(376,697)
Net addition to shareholders' funds	311,165	106,764
Opening shareholders' funds	606,732	499,968
Closing shareholders' funds	917,897	606,732

20 Commitments under operating leases

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Other 2014 £	2013 £
Operating leases which expire:		
Within one year	-	12,497

21 Capital commitments	2014 £	2013 £
At 31 December 2014 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	-	603,186

22 Control

For the whole of the current and prior year the company was a 100% subsidiary of BKW (Holdings) Limited. The ultimate controlling parties were Mr P E Baker and Mrs C J Baker.

Ultimate parent company

The directors consider the ultimate parent company to be BKW (Holdings) Limited, a company registered in England and Wales. BKW (Holdings) Limited prepare group accounts which include this company. Copies of the accounts can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

BKW INSTRUMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

23 Related party relationships and transactions

The company is related to BKW (Holdings) Limited by virtue of that company being the parent company. The company has taken advantage of the exemption under Financial Reporting Standard No 8 "Related Party Transactions" from disclosing transactions on the grounds that the company is a wholly owned subsidiary of BKW (Holdings) Limited. Included within amounts owed to group undertakings is £nil (2013 - £229,996) owed to BKW (Holdings) Limited. During the year the balance was forgiven by the parent company.

Included within creditors is an amount of £382,777 (2013: £377,000) due to Mr P E Baker, a director of the company. Movements relate to cash introduced by the director.

During the year dividends of £284,301 (2013 - £376,697) were paid to the parent company BKW (Holdings) Limited.