Financial Statements
Skaino Atmos Limited

For the year ended 31 December 2016

Registered number: 1241033

Company Information

Directors	Mr P Bainger Mr M J Farrant Mr E Hunt Mr D Morriss Mr R Parker Mr D Walsma (Chairman) Mr J Walsma
Company registration number	1241033
Registered office	New Creation Farm Heyford Hills Nether Heyford Northampton NN7 3LB
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Colmore Building 20 Colmore Circus Birmingham B4 6AT
Bankers	Barclays Bank Plc 267 Wellingborough Road Northampton NN1 4EN
Solicitors	Shoosmiths The Lakes Northampton NN4 7SH

Contents

Directors' Report
For the Year Ended 31 December 2016

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

Principal activity

The company continues to trade as plumbing and building contractors.

Results and charitable donations

The profit for the year, after taxation, amounted to £13,670 (2015 - £34,970).

During the year the company paid £75,000 (2015: £75,000) under Gift Aid to the Jesus Fellowship Life Trust.

Directors

The directors who served during the year were:

Mr P Bainger
Miss J Carter (resigned 14 June 2016)
Mr M J Farrant
Mr E Hunt
Mr D Morriss (appointed 2 February 2016)
Mr R Parker
Mr D Walsma
Mr J Walsma (appointed 11 February 2016)

Directors' responsibilities statement

The directors are responsible for preparing 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.

Directors' Report (continued)
For the Year Ended 31 December 2016

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.

Auditor

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

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28/7/2017 and signed on its behalf.

Mr D Morriss
Director

Grant Thornton

Independent Auditor's Report to the Members of Skaino Atmos Limited

We have audited the financial statements of Skaino Atmos Limited for the year ended 31 December 2016, which comprise the statement of comprehensive income, the statement of financial position, 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 Financial Reporting Standard 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 on page 1, 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 December 2016 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.

Grant Thornton

Independent Auditor's Report to the Members of Skaino Atmos Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report under the Companies Act 2006

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

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Grant Thornton UK LLP

Kathryn Godfree (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Birmingham
Date: 15 September 2017

Statement of Comprehensive Income
For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	**1,309,519**	1,288,539
Cost of sales		**(887,231)**	(900,601)
Gross profit		**422,288**	387,938
Administrative expenses		**(403,844)**	(335,805)
Operating profit	5	**18,444**	52,133
Tax on profit	8	**(4,774)**	(17,163)
Profit for the year		**13,670**	34,970

There was no other comprehensive income for 2016 (2015:£nil).

The notes on pages 8 to 19 form part of these financial statements.

Skaino Atmos Limited
Registered number:1241033

Statement of Financial Position
As at 31 December 2016

	Note		2016 £		2015 £
Fixed assets					
Tangible assets	10		**73,250**		84,296
Current assets					
Stocks	11	**95,079**		83,873	
Debtors: amounts falling due within one year	12	**1,071,344**		1,006,781	
Cash at bank and in hand	13	**135,999**		134,959	
		1,302,422		1,225,613	
Creditors: amounts falling due within one year	14	**(208,483)**		(166,390)	
Net current assets			**1,093,939**		1,059,223
Total assets less current liabilities			**1,167,189**		1,143,519
Provisions for liabilities					
Other provisions	16		**(120,000)**		(110,000)
Net assets			**1,047,189**		1,033,519
Capital and reserves					
Called up share capital	18		**5,000**		5,000
Profit and loss account	17		**1,042,189**		1,028,519
Shareholders' funds			**1,047,189**		1,033,519

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28/7/2017

Mr D Walsma (Chairman)
Director

The notes on pages 8 to 19 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	5,000	1,028,519	1,033,519
Profit for the year	-	13,670	13,670
At 31 December 2016	5,000	1,042,189	1,047,189

Statement of Changes in Equity

For the year ended 31 December 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	5,000	993,549	998,549
Profit for the year	-	34,970	34,970
At 31 December 2015	5,000	1,028,519	1,033,519

The notes on pages 8 to 19 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2016

1. General information

Skaino Atmos Limited is a private company limited by shares and registered in England and Wales. Its registered head office is located at New Creation Farm, Heyford Hills, Nether Heyford, Northampton, NN7 3LB.

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.

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 following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- 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 House of Goodness Limited as at 31 December 2016 and these financial statements may be obtained from New Creation Farm, Heyford Hills, Nether Heyford, Northampton, NN7 3LB.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.5 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation 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:

Short leasehold land and buildings	- Over the lease term
Motor vehicles	- 20 - 25%
Plant and equipment	- 20%

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first outbasis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 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.

Notes to the Financial Statements
For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.8 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.

2.9 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 accounts receivable and payable, loans from banks and other third parties and loans to related parties.

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 income statement.

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

2.10 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.

2.11 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 statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. 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 December 2016

2. Accounting policies (continued)

2.12 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 statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position 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 statement of financial position.

2.13 Taxation

Tax is recognised in the statement of comprehensive income, 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 reporting 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 statement of financial position 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 reporting date.

Notes to the Financial Statements
For the Year Ended 31 December 2016

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

Preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The items in the financial statements where these judgements and estimates have been made include:

Trade debtors
Trade debtors consist of amounts due from customers. An allowance for doubtful debts is maintained for estimated losses resulting from the inability of the company's customers to make required payments. The allowance is based on the company's regular assessment of the credit worthiness and financial conditions of customers.

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting dates, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Turnover

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

	2016 £	2015 £
Plumbing and building contracting services	**1,309,519**	1,288,539

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	**29,507**	41,201
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	**11,300**	10,900
Fees payable to the company's auditor and its associates for other services		
- Taxation compliance services	**575**	550

Notes to the Financial Statements
For the Year Ended 31 December 2016

6. Employees

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

	2016 £	2015 £
Wages and salaries	**346,286**	334,959
Social security costs	**17,567**	15,335
Cost of defined contribution scheme	**1,512**	1,622
	365,365	351,916

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

	2016 No.	2015 No.
Production	**21**	21
Administration	**9**	3
	30	24

The average number of employees above is on a headcount basis for 2016. The average number of admin employees on a full-time equivalent basis was 3.75.

7. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	**62,686**	51,406
Company contributions to defined contribution pension schemes	**363**	258
	63,049	51,664

During the year retirement benefits were accruing to 5 directors (2015 - 3) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the Year Ended 31 December 2016

8. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	**4,774**	-
Group taxation relief	**-**	17,163
Taxation on profit on ordinary activities	**4,774**	17,163

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 £
Profit on ordinary activities before tax	**18,444**	52,133
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	**3,689**	10,427
Effects of:		
Expenses not deductible for tax purposes	**-**	319
Fixed asset differences	**1,029**	6,421
Other timing differences	**56**	(4)
Total tax charge for the year	**4,774**	17,163

Factors that may affect future tax charges

A deferred tax asset of £8,440 (2015: £10,514) has not been recognised in the financial statements as its recoverability is uncertain.

Notes to the Financial Statements
For the Year Ended 31 December 2016

9. Intangible assets

	Software
	£
Cost	
At 1 January 2016	30,977
Disposals	(2,472)
At 31 December 2016	28,505
Amortisation	
At 1 January 2016	30,977
On disposals	(2,472)
At 31 December 2016	(28,505)
Net book value	
At 31 December 2016	-
At 31 December 2015	-

Notes to the Financial Statements
For the Year Ended 31 December 2016

10. Tangible fixed assets

	Short leasehold land and buildings £	Motor vehicles £	Plant and equipment £	Total £
Cost or valuation				
At 1 January 2016	94,269	273,390	121,551	489,210
Additions	1,476	14,212	5,720	21,408
Disposals	(7,314)	(43,947)	(26,455)	(77,716)
At 31 December 2016	88,431	243,655	100,816	432,902
Depreciation				
At 1 January 2016	74,777	220,634	109,502	404,913
Charge for the period	1,396	23,341	4,770	29,507
Disposals	(7,314)	(42,921)	(24,533)	(74,768)
At 31 December 2016	68,859	201,054	89,739	359,652
Net book value				
At 31 December 2016	19,572	42,601	11,077	73,250
At 31 December 2015	19,492	52,756	12,049	84,297

11. Stocks

	2016 £	2015 £
Raw materials and consumables	24,778	25,235
Work in progress	70,301	58,638
	95,079	83,873

Stock recognised in cost of sales during the year as an expense was £386,453 (2015: £445,867)

An impairment of £nil (2015: £nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Notes to the Financial Statements

For the Year Ended 31 December 2016

12. Debtors

	2016	2015
	£	£
Trade debtors	**204,371**	200,542
Amounts owed by group undertakings	**812,599**	724,869
Prepayments and accrued income	**54,374**	81,370
	1,071,344	1,006,781

An impairment loss of £10,033 (2015: impairment loss of £7,898) was recognised against trade debtors.

13. Cash and cash equivalents

	2016	2015
	£	£
Cash at bank and in hand	**135,999**	134,959

14. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Trade creditors	**69,662**	31,741
Amounts owed to group undertakings	**71,591**	65,714
Corporation tax	**7,810**	-
Other taxation and social security	**38,412**	44,987
Accruals and deferred income	**21,008**	23,948
	208,483	166,390

Notes to the Financial Statements

For the Year Ended 31 December 2016

15. Financial instruments

	2016	2015
	£	£
Financial assets		
Financial assets measured at amortised cost	**1,179,884**	1,113,641
	1,179,884	1,113,641
Financial liabilities		
Financial liabilities measured at amortised cost	**(162,261)**	(121,403)
	(162,261)	(121,403)

Financial assets measured at amortised cost comprise of cash and cash equivalents, trade debtors, amounts owed by group undertakings, and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts owed by group undertakings and accruals.

16 Provisions

	Dilapidation provision
	£
At 1 January 2016	**110,000**
Charged to profit or loss	**10,000**
At 31 December 2016	**120,000**

17. Reserves

Profit & loss account

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

Notes to the Financial Statements
For the Year Ended 31 December 2016

18. Share capital

	2016	2015
	£	£
Shares classified as equity		
Authorised, allotted, called up and fully paid		
5,000 ordinary shares of £1 each	**5,000**	5,000

Share capital represents the nominal value of shares that have been issued. There are no restrictions attached to the one class of share capital.

19. Contingent liabilities

There is an unlimited interlocking guarantee given to Barclays Bank Plc by House of Goodness Limited, Skaino Atmos Limited, TBS Building Supplies Limited and White & Bishop Limited. At 31 December 2016, the potential liability of Skaino Atmos Limited was £Nil (2015: £Nil).

20. Related party transactions

As a wholly owned subsidiary of House of Goodness Limited, the company is exempt from the requirements of FRS 102 to disclose transactions with other wholly owned members of the group headed by House of Goodness Limited on the grounds that consolidated accounts are publicly available.

Total key management personnel compensation for the year was £63,049 (2015: £48,508).

During the year the company made sales to its ultimate controlling party of £295,451 (2015: £354,172) with an amount due to be received of £36,832 at 31 December 2016 (2015: £46,280).

21. Controlling party

The directors consider that House of Goodness Limited is the intermediate holding company and controlling related party by virtue of majority shareholding, with the Jesus Fellowship Community Trust being the ultimate parent undertaking and controlling related party, by virtue of is shareholding in House of Goodness Limited. The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by House of Goodness Limited, incorporated in England and Wales.