

Company Registration No. 1476898 (England and Wales)

WALLWORK CAMBRIDGE LIMITED

FORMERLY TECVAC LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
COMPANY INFORMATION

Directors	S P Collins R P Carpenter H A Wallwork (Appointed 20 June 2013)
Secretary	C Chettoe
Company number	1476898
Registered office	Lodge Bank Works Lord Street Bury BL9 0RE
Auditors	AJP Corporate Accountants Ltd. Unit 9, Brenton Business Complex Bury Lancs. BL9 7BE
Business address	Buckingway Business Park Swavesey Cambridge CB24 4UG

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
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WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2014

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

Review of the business

The year ending 31 March 2014 continued our investment in process machinery and testing equipment. Aerospace continues to be an important market and oil and gas is developing well. World class research and development projects were made possible by part funding from The Technology Strategy Board.

The Directors believe that there is a low level of risk and uncertainty associated with the business, it operates in a stable, mature market mainly within the U.K. and the Directors have consistently adopted conservative policies.

Risks that have been identified are as follows:

Alteration to regulation or legislation such as environmental or health and safety that would take the production facilities out of compliance.

Volatile price of energy and other consumables.

The cost of maintaining a market leading position.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect some growth in the foreseeable future.

Sales increased by 25% over the year and margins were maintained so that gross profit rose by 20%. Overheads and other operating income were well controlled and research income rose by 138% and as a result the operating profit increased 116%. The year end position remained strong with net assets increasing by 22%.

On behalf of the board

R P Carpenter

Director

23 September 2014

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2014

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

Principal activities and review of the business

The principal activity of the company continued to be that of vacuum processing and engineering.

On 4 June 2014 the name of the company was changed from Tecvac Limited to Wallwork Cambridge Limited.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

Research and development

Tecvac is a leading edge technology company offering enabling processes to the engineering community and engages in world class research for the development of processes in house as well as external projects with academic and multi national commercial partners. Significant opportunities exist to develop coatings for 'green' applications in the aerospace market as well as innovative technical solutions for medical and motorsport applications.

Future developments

Attracting suitably qualified new technical staff as well as continuing to increase the training of existing staff is essential to the wellbeing of this high tech company.

Several new projects are due to move out of the development stage this year and should impact well on both turnover and profit.

Exploitation of "The Green Agenda" will continue to be important as the world focuses on fuel efficiency and product life, both areas that our services and coatings complement.

Directors

The following directors have held office since 1 April 2013:

R C Burslem	(Resigned 10 April 2013)
S P Collins	
R P Carpenter	
M R Allen	(Resigned 30 November 2013)
H A Wallwork	(Appointed 20 June 2013)

Auditors

The auditors, AJP Corporate Accountants Ltd., are deemed to be reappointed under section 487(2) of the Companies Act 2006.

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2014

Statement of directors' responsibilities

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 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.

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.

On behalf of the board

R P Carpenter

Director

23 September 2014

**WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WALLWORK CAMBRIDGE LIMITED**

We have audited the financial statements of Wallwork Cambridge Limited for the year ended 31 March 2014 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 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.

**WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

TO THE MEMBERS OF WALLWORK CAMBRIDGE 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; or

Andrew Pearce FCA (Senior Statutory Auditor)
for and on behalf of AJP Corporate Accountants Ltd.

23 September 2014

Chartered Accountants
Statutory Auditor

Unit 9, Brenton Business Complex
Bury
Lancs.
BL9 7BE

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

		2014	2013
	Notes	£	£
Turnover	2	4,764,383	3,817,980
Cost of sales		<u>(3,244,031)</u>	<u>(2,547,592)</u>
Gross profit		1,520,352	1,270,388
Distribution costs		(360,176)	(308,498)
Administrative expenses		(1,481,662)	(1,376,716)
Other operating income		364,997	153,070
		<u> </u>	<u> </u>
Profit/(loss) on ordinary activities before taxation	3	43,511	(261,756)
Tax on profit/(loss) on ordinary activities	4	48,329	124,185
		<u> </u>	<u> </u>
Profit/(loss) for the year	13	<u><u>91,840</u></u>	<u><u>(137,571)</u></u>

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.

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
BALANCE SHEET
AS AT 31 MARCH 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Intangible assets	5		60,938		69,515
Tangible assets	6		<u>1,378,454</u>		<u>1,524,791</u>
			1,439,392		1,594,306
Current assets					
Stocks	7	136,440		114,224	
Debtors	8	1,675,438		907,754	
Cash at bank and in hand		<u>444</u>		<u>748</u>	
			1,812,322		1,022,726
Creditors: amounts falling due within one year	9	<u>(2,681,507)</u>		<u>(2,121,377)</u>	
Net current liabilities			<u>(869,185)</u>		<u>(1,098,651)</u>
Total assets less current liabilities			570,207		495,655
Provisions for liabilities	10		<u>(60,632)</u>		<u>(77,920)</u>
			<u>509,575</u>		<u>417,735</u>
Capital and reserves					
Called up share capital	12		2,500		2,500
Profit and loss account	13		<u>507,075</u>		<u>415,235</u>
Shareholders' funds	14		<u>509,575</u>		<u>417,735</u>

Approved by the Board and authorised for issue on 23 September 2014

R P Carpenter
Director

Company Registration No. 1476898

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Patents

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives of seven years.

1.4 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets 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:

Plant and machinery	20% of net book value
Computer equipment	20% of net book value
Fixtures and fittings	20% of net book value
Motor vehicles	20% of net book value

1.6 Leasing

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

1.8 Revenue recognition

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

Income that is contingent on events outside the control of the company is recognised when the contingent event occurs.

1.9 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

1 Accounting policies (continued)

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Turnover

Geographical market

	Turnover	
	2014	2013
	£	£
Euro area	93,927	104,954
UK	4,670,456	3,713,026
	<u>4,764,383</u>	<u>3,817,980</u>

3 Operating profit/(loss)

	2014	2013
	£	£
Operating profit/(loss) is stated after charging:		
Amortisation of intangible assets	17,134	6,567
Depreciation of tangible assets	315,041	320,820
Loss on disposal of tangible assets	1,431	-
Research and development	301,433	247,125
Operating lease rentals		
- Plant and machinery	28,523	23,672
- Other assets	409,560	348,687
and after crediting:		
Government grants	364,997	153,070
Profit on disposal of tangible assets	(2,449)	(797)

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

4 Taxation	2014	2013
	£	£
Domestic current year tax		
U.K. corporation tax	(31,041)	(127,836)
Total current tax	(31,041)	(127,836)
Deferred tax		
Deferred tax charge/credit current year	(17,288)	3,651
	(48,329)	(124,185)
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	43,511	(261,756)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 24.00%)	10,008	(62,821)
Effects of:		
Non deductible expenses	490	107
Depreciation add back	72,225	76,806
Capital allowances	(65,612)	(81,798)
Group tax relief	(2)	(4,191)
Enhanced R&D relief	(48,150)	(55,939)
	(41,049)	(65,015)
Current tax charge for the year	(31,041)	(127,836)

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

5 Intangible fixed assets

	Patents	Development Costs	Total
	£	£	£
Cost			
At 1 April 2013	25,531	85,850	111,381
Additions	8,557	-	8,557
At 31 March 2014	34,088	85,850	119,938
Amortisation			
At 1 April 2013	11,195	30,671	41,866
Charge for the year	4,870	12,264	17,134
At 31 March 2014	16,065	42,935	59,000
Net book value			
At 31 March 2014	18,023	42,915	60,938
At 31 March 2013	14,336	55,179	69,515

6 Tangible fixed assets

	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2013	5,254,865	137,094	133,959	5,525,918
Additions	59,471	72,889	42,194	174,554
Disposals	(3,000)	-	(18,515)	(21,515)
At 31 March 2014	5,311,336	209,983	157,638	5,678,957
Depreciation				
At 1 April 2013	3,819,208	111,147	70,772	4,001,127
On disposals	(2,431)	-	(13,234)	(15,665)
Charge for the year	285,615	12,410	17,016	315,041
At 31 March 2014	4,102,392	123,557	74,554	4,300,503
Net book value				
At 31 March 2014	1,208,944	86,426	83,084	1,378,454
At 31 March 2013	1,435,657	25,947	63,187	1,524,791

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

7	Stocks	2014	2013
		£	£
	Raw materials and consumables	136,440	114,224

8	Debtors	2014	2013
		£	£
	Trade debtors	1,347,433	775,180
	Other debtors	100	-
	Prepayments and accrued income	327,905	132,574
		1,675,438	907,754

9	Creditors: amounts falling due within one year	2014	2013
		£	£
	Trade creditors	498,921	200,983
	Amounts owed to parent and fellow subsidiary undertakings	1,730,400	1,622,537
	Taxes and social security costs	225,919	189,612
	Accruals and deferred income	226,267	108,245
		2,681,507	2,121,377

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

10 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2013	77,920
Profit and loss account	<u>(17,288)</u>
Balance at 31 March 2014	<u><u>60,632</u></u>

The deferred tax liability is made up as follows:

	2014 £	2013 £
Accelerated capital allowances	<u>60,632</u>	<u>77,920</u>

11 Pension and other post-retirement benefit commitments

Defined contribution

The company operates a defined contribution 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.

	2014 £	2013 £
Contributions payable by the company for the year	<u>81,561</u>	<u>80,124</u>

12 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
2,500 Ordinary shares of £1 each	<u>2,500</u>	<u>2,500</u>

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

13 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 April 2013	415,235
Profit for the year	<u>91,840</u>
Balance at 31 March 2014	<u><u>507,075</u></u>

14 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit/(Loss) for the financial year	91,840	(137,571)
Opening shareholders' funds	<u>417,735</u>	<u>555,306</u>
Closing shareholders' funds	<u><u>509,575</u></u>	<u><u>417,735</u></u>

15 Financial commitments

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

	Land and buildings 2014 £	2013 £	Other 2014 £	2013 £
Operating leases which expire:				
Within one year	-	-	881	6,253
Between two and five years	-	-	19,005	8,750
In over five years	<u>150,000</u>	<u>150,000</u>	<u>259,560</u>	<u>198,687</u>
	<u><u>150,000</u></u>	<u><u>150,000</u></u>	<u><u>279,446</u></u>	<u><u>213,690</u></u>

16 Capital commitments

	2014 £	2013 £
At 31 March 2014 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements	<u><u>23,244</u></u>	<u><u>5,309</u></u>

WALLWORK CAMBRIDGE LIMITED
FORMERLY TECVAC LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2014

17 Employees

Number of employees

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

	2014	2013
	Number	Number
Management	3	3
Administration	13	13
Production	55	54
	<u>71</u>	<u>70</u>

Employment costs

	2014	2013
	£	£
Wages and salaries	2,029,723	1,778,172
Social security costs	205,185	177,602
Other pension costs	81,561	80,124
	<u>2,316,469</u>	<u>2,035,898</u>

18 Control

The ultimate controlling party are trusts for the benefit of the Wallwork family and the working directors, the controlling party of the ultimate parent company, WHT Holding Limited.

19 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

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