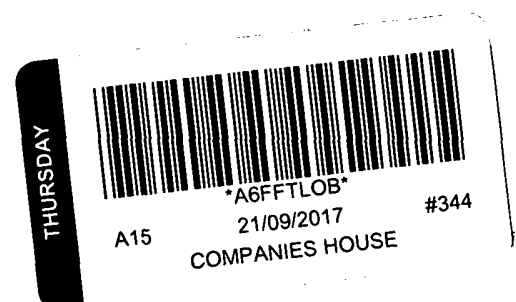


REGISTERED NUMBER: 01562213 (England and Wales)

Financial Statements for the Year Ended 31 December 2016

for

NHC Technology Limited



NHC Technology Limited (Registered number: 01562213)

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for the Year Ended 31 December 2016

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NHC Technology Limited
Company Information
for the Year Ended 31 December 2016

DIRECTORS:

I J Milsom
P J Ellin
Mrs L Parry

SECRETARY:

Miss J Davies

REGISTERED OFFICE:

Unit 1 Colomendy Industrial Estate
Rhyl Road
Denbigh
Denbighshire
Clwyd
LL16 5TS

REGISTERED NUMBER:

01562213 (England and Wales)

AUDITORS:

Johnston Wood Roach Limited
Statutory Auditor
24 Picton House
Hussar Court
Waterlooville
Hampshire
PO7 7SQ

NHC Technology Limited (Registered number: 01562213)


Balance Sheet
31 December 2016

	Notes	31.12.16	31.12.15
		£	£
FIXED ASSETS			
Intangible assets	4	-	-
Tangible assets	5	1,732,836	1,219,795
Investment property	6	620,000	-
		<u>2,352,836</u>	<u>1,219,795</u>
CURRENT ASSETS			
Stocks		1,224,725	874,079
Debtors	7	71,560	141,755
Cash in hand		3,545	3,695
		<u>1,299,830</u>	<u>1,019,529</u>
CREDITORS			
Amounts falling due within one year	8	1,183,849	542,908
NET CURRENT ASSETS		<u>115,981</u>	<u>476,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,468,817</u>	<u>1,696,416</u>
CREDITORS			
Amounts falling due after more than one year	9	(25,452)	-
PROVISIONS FOR LIABILITIES		<u>(196,403)</u>	<u>(136,888)</u>
NET ASSETS		<u><u>2,246,962</u></u>	<u><u>1,559,528</u></u>
CAPITAL AND RESERVES			
Called up share capital		50	50
Share premium		215,675	215,675
Revaluation reserve	10	766,105	480,756
Other reserves		1,000	1,000
Retained earnings		1,264,132	862,047
SHAREHOLDERS' FUNDS		<u><u>2,246,962</u></u>	<u><u>1,559,528</u></u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on TH 14 September 2017 and were signed on its behalf by:


P J Ellin - Director

The notes form part of these financial statements

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

1. **STATUTORY INFORMATION**

NHC Technology Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows - Presentation of a Statement of Cash Flow and related notes and disclosures;

- the requirements of Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the profit or loss and in other comprehensive income.

- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

Turnover

Turnover represents the value of goods sold and services supplied to customers during the year net of discounts and value added tax. Turnover is recognised upon delivery of goods. Turnover on services is recognised on completion of the service at the customers' premises.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Patents and trademarks

Where appropriate expenditure on trademarks is written off in the year in which it is incurred.

The cost of patents are amortised over their expected useful economic lives on a straight line basis. Any permanent impairment in carrying value is written off through the profit and loss account.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is determined on a first in first out basis.

The cost of finished goods and goods for resale comprises of materials, direct labour and attributable production overheads. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. **ACCOUNTING POLICIES - continued**

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the directors report in the consolidated financial statements.

The company is expected to continue to generate positive cash flows on its own accounts for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's parent NHC Holdings Limited to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the NHC Holdings Limited group to continue as a going concern or its ability to continue with the current banking arrangements.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of NHC Holdings Limited, the company directors have a reasonable expectation that the company will be able to continue in the operational existence for the foreseeable future. Thus the going concern basis of accounting in preparing the annual financial statements has been used.

Warranty provision

Provision is made for liabilities arising in respect of expected warranty claims.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 64 (2015 - 64).

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 January 2016 and 31 December 2016	200,000
AMORTISATION	
At 1 January 2016 and 31 December 2016	200,000
NET BOOK VALUE	
At 31 December 2016	-
At 31 December 2015	-

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST OR VALUATION					
At 1 January 2016	1,100,000	761,487	262,558	223,099	2,347,144
Additions	650,136	29,113	100,104	56,495	835,848
Disposals	-	-	-	(40,565)	(40,565)
Revaluations	199,864	-	-	-	199,864
Reclassification/transfer	(475,000)	-	-	-	(475,000)
At 31 December 2016	1,475,000	790,600	362,662	239,029	2,867,291
DEPRECIATION					
At 1 January 2016	-	671,858	247,106	208,385	1,127,349
Charge for year	-	25,105	6,345	14,120	45,570
Eliminated on disposal	-	-	-	(38,464)	(38,464)
At 31 December 2016	-	696,963	253,451	184,041	1,134,455
NET BOOK VALUE					
At 31 December 2016	1,475,000	93,637	109,211	54,988	1,732,836
At 31 December 2015	1,100,000	89,629	15,452	14,714	1,219,795

The freehold properties were revalued in March 2015 by Knight Frank LLP, a firm of independent chartered surveyors, at their open market value of £625,000 and £475,000 respectively (Total £1,100,000). The site at Ruthin was reclassified as an investment property in 2016 and was revalued in March 2017 at an open market value of £620,000. The freehold property was also revalued by Knight Frank LLP in February 2017 and was valued at £1,475,000.

If the freehold properties had not been revalued, they would have been included in the balance sheet at cost of £1,149,191 (2015: £499,055) and cumulative depreciation of £nil (2015: £nil)

The net book value of assets held on finance leases and hire purchase contracts is £50,398 (2015: £nil). The depreciation charge for the year for fixed assets held on finance leases and hire purchase contracts is £6,097 (2015: £18,010).

Cost or valuation at 31 December 2016 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2015	14,462	-	-	-	14,462
Valuation in 2016	199,864	-	-	-	199,864
Cost	1,260,674	790,600	362,662	239,029	2,652,965
	1,475,000	790,600	362,662	239,029	2,867,291

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

5. TANGIBLE FIXED ASSETS - continued

If freehold properties had not been revalued they would have been included at the following historical cost:

	31.12.16	31.12.15
	£	£
Cost	1,149,191	499,055
Aggregate depreciation	302,866	302,866
Value of land in freehold land and buildings	244,909	244,909

6. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
Revaluations	145,000
Reclassification/transfer	475,000
At 31 December 2016	620,000
NET BOOK VALUE	
At 31 December 2016	620,000

Cost or valuation at 31 December 2016 is represented by:

	£
Valuation in 2015	195,000
Valuation in 2016	145,000
Cost	280,000
	620,000

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	£	£
Trade debtors	44,188	32,288
Other debtors	27,372	109,467
	71,560	141,755

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	31.12.15
	£	£
Bank loans and overdrafts	337	870
Hire purchase contracts	8,557	-
Trade creditors	403,143	293,313
Amounts owed to group undertakings	505,745	35,222
Taxation and social security	77,551	83,911
Other creditors	188,516	129,592
	1,183,849	542,908

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

A provision has been recognised for expected claims against product guarantees. It is expected that this expenditure will be incurred over the period of the guarantee. The provision, the amount of which has not been disclosed as it is considered to be commercially sensitive, has not been discounted since the effect of discounting is not material.

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.16	31.12.15
	£	£
Hire purchase contracts	25,452	-

10. **RESERVES**

Share Premium

This reserve records the amount above the nominal value of shares sold, less transaction costs.

Revaluation reserve

The revaluation reserve relates to a surplus on revaluation of freehold properties.

Share Capital Redemption

This reserve records the nominal value of shares repurchased by the company.

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

K S Wood (Senior Statutory Auditor)
for and on behalf of Johnston Wood Roach Limited

12. **CONTINGENT LIABILITIES**

The company has given composite cross guarantees relating to the bank borrowing of certain subsidiary companies. These borrowings amounted to £nil at the year end.

13. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

NHC Holdings Limited, whose registered office is the same as NHC Technology Limited, is the ultimate parent company and draws up consolidated group financial statements of which NHC Technology Limited is a member.

14. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the board of directors.