

Registration number: 01960638

Precision House Management Services Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2016

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Precision House Management Services Limited

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Precision House Management Services Limited

Company Information

| | |
|--------------------------|--|
| Directors | G P Martin S A Peckham G E Barnes |
| Company secretary | J C F Crawford |
| Registered office | 11th Floor The Colmore Building 20 Colmore Circus Queensway Birmingham West Midlands B4 6AT |
| Auditors | Deloitte LLP London United Kingdom |

Precision House Management Services Limited
Strategic Report for the Year Ended 31 December 2016

The Directors present their Strategic Report for the year ended 31 December 2016.

Principal activity

The Company's principal activity is to act as a head office function. The Directors do not expect any change in this activity for the foreseeable future.

Fair review of the business

The operating result for the year ended 31 December 2016 was £nil (year ended 31 December 2015: loss of £1,427,000). The retained loss for the year ended 31 December 2016 was £655,000 (year ended 31 December 2015: loss of £2,029,000).

On 1 January 2016, certain trade and assets were transferred to Melrose PLC, the Company's immediate parent undertaking for consideration equal to the book value of assets transferred.

The Company considers its key performance indicators to be in line with those of Melrose Industries PLC as disclosed in the Strategic Report of the 2016 Annual Report.

Principal risks and uncertainties

The Company considers its principal risks and uncertainties to be in line with those of Melrose Industries PLC as disclosed in the Performance Review section of the 2016 Annual Report.

Financial risk management

The Company's activities expose it to a number of financial risks including liquidity risk.

Principal risks

Liquidity risk

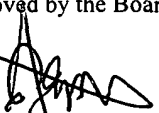
To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the Company ensures regular communication with other Group companies.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the financial statements.

Approved by the Board on 29 June 2017 and signed on its behalf by:


.....
G E Barnes
Director

Precision House Management Services Limited

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. An indication of likely future developments in the business of the Company is included in the Strategic Report. Information on financial risk management and going concern are also included in the Strategic Report.

Directors of the Company

The directors who held office during the year were as follows:

G P Martin

S A Peckham

G E Barnes

No director had a beneficial interest in the share capital of the Company, except for the fact that each Director held shares and/or options over shares in Melrose Industries PLC, the ultimate parent company and controlling party, and therefore had an indirect beneficial interest in the Company.

Dividends

The Directors do not recommend the payment of a final dividend in respect of the financial year ended 31 December 2016 (year ended 31 December 2015: £nil).

Directors liabilities

The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the year and at the date of this report.

Precision House Management Services Limited

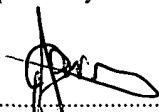
Directors Report for the Year Ended 31 December 2016

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board on 29 June 2017 and signed on its behalf by:


.....
G E Barnes
Director

Precision House Management Services Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Precision House Management Services Limited

Independent Auditor's Report to the members of Precision House Management Services Limited

We have audited the financial statements of Precision House Management Services Limited for the year ended 31 December 2016, set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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 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 Statement of Directors' Responsibilities (set out on page 5), 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 (APB's) Ethical Standards for Auditors to the financial statements.

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 the 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

Precision House Management Services Limited

Independent Auditor's Report to the members of Precision House Management Services 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


.....
Helen Burridge (Senior Statutory Auditor)
For and on behalf of Deloitte LLP, Statutory Auditor

London
United Kingdom

29 June 2017

Precision House Management Services Limited

Profit and Loss Account for the Year Ended 31 December 2016

| | Note | 2016 £ 000 | 2015 £ 000 |
|--------------------------------------|-------------|-----------------------|-----------------------|
| Administrative expenses | | <u>-</u> | <u>(1,427)</u> |
| Operating loss | 3 | <u>-</u> | <u>(1,427)</u> |
| Interest payable and similar charges | 5 | <u>(655)</u> | <u>(602)</u> |
| Loss before tax | | <u>(655)</u> | <u>(2,029)</u> |
| Tax on loss on ordinary activities | 7 | <u>-</u> | <u>-</u> |
| Loss for the year | | <u><u>(655)</u></u> | <u><u>(2,029)</u></u> |

The above results were derived from continuing operations.

Precision House Management Services Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

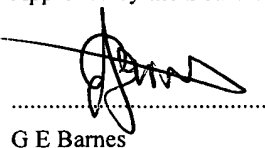
| | 2016 £ 000 | 2015 £ 000 |
|---|-----------------------------|-----------------------------|
| Loss for the year | <u>(655)</u> | <u>(2,029)</u> |
| Total comprehensive income for the year | <u><u>(655)</u></u> | <u><u>(2,029)</u></u> |

Precision House Management Services Limited

**(Registration number: 01960638)
Balance Sheet as at 31 December 2016**

| | Note | 2016 £ 000 | 2015 £ 000 |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Intangible assets | 8 | - | 120 |
| Property, plant and equipment | 9 | <u>-</u> | <u>149</u> |
| | | - | 269 |
| Creditors: Amounts falling due within one year | | | |
| Trade and other payables | 10 | <u>(21,926)</u> | <u>(21,540)</u> |
| Net liabilities | | <u>(21,926)</u> | <u>(21,271)</u> |
| Capital and reserves | | | |
| Called up share capital | 12 | 1,000 | 1,000 |
| Profit and loss account | | <u>(22,926)</u> | <u>(22,271)</u> |
| Shareholders' deficit | | <u>(21,926)</u> | <u>(21,271)</u> |

Approved by the Board on 29 June 2017 and signed on its behalf by:



G E Barnes

Director

Precision House Management Services Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

| | Share capital £ 000 | Profit and loss account £ 000 | Total £ 000 |
|----------------------------|--------------------------------|--|------------------------|
| At 1 January 2015 | <u>1,000</u> | <u>(20,242)</u> | <u>(19,242)</u> |
| Loss for the year | <u>-</u> | <u>(2,029)</u> | <u>(2,029)</u> |
| Total comprehensive income | <u>-</u> | <u>(2,029)</u> | <u>(2,029)</u> |
| At 31 December 2015 | <u><u>1,000</u></u> | <u><u>(22,271)</u></u> | <u><u>(21,271)</u></u> |

| | Share capital £ 000 | Profit and loss account £ 000 | Total £ 000 |
|----------------------------|--------------------------------|--|------------------------|
| At 1 January 2016 | <u>1,000</u> | <u>(22,271)</u> | <u>(21,271)</u> |
| Loss for the year | <u>-</u> | <u>(655)</u> | <u>(655)</u> |
| Total comprehensive income | <u>-</u> | <u>(655)</u> | <u>(655)</u> |
| At 31 December 2016 | <u><u>1,000</u></u> | <u><u>(22,926)</u></u> | <u><u>(21,926)</u></u> |

Precision House Management Services Limited

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

1 General information

The Company is a private company limited by share capital incorporated in England & Wales under the Companies Act 1985. The nature of the Company's operations and its principal activity are set out in the Strategic Report.

The address of its registered office is:

11th Floor
The Colmore Building
20 Colmore Circus Queensway
Birmingham
West Midlands
B4 6AT

These financial statements were authorised for issue by the Board on 29 June 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

The financial statements have been prepared on the historical cost basis, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Precision House Management Services Limited

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

2 Accounting policies (continued)

Summary of disclosure exemptions

As permitted by FRS 101 and where relevant, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the group accounts of Melrose Industries PLC, which are available to the public and can be obtained from 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT.

Going concern

The financial statements have been prepared on a going concern basis.

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The Strategic Report describes the Company's objectives, policies and processes for managing its principal risks, including liquidity risk. The Company's forecasts and projections, including consideration of the availability of finance, show that the Company should be able to continue to operate for the foreseeable future.

After making enquiries and considering the above facts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Adoption of new and revised Standards

The Company has adopted all mandatory standards, interpretations and amendments that have become effective with effect from 1 January 2016. None of the standards, interpretations and amendments that are effective for the first time have had a material effect on the financial statements.

Finance income and costs policy

Finance costs

Where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in profit or loss within finance costs.

Tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Property, plant and equipment

Property, plant and equipment is stated at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Precision House Management Services Limited

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

2 Accounting policies (continued)

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life. Residual value is calculated on prices prevailing at the date of acquisition or revaluation. Useful lives and residual values are reviewed at the end of every reporting period. Depreciation is provided as follows:

| Asset class | Depreciation rate |
|---------------------|-------------------|
| Plant and equipment | 3 to 5 years |

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, on a straight-line basis over their expected useful economic life as follows:

| Asset class | Amortisation rate |
|-------------------|-------------------|
| Software licences | 3 to 5 years |

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Precision House Management Services Limited

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

2 Accounting policies (continued)

Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and the Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as an employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Financial assets and liabilities

Classification

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Precision House Management Services Limited

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

2 Accounting policies (continued)

Financial liabilities

Classification

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Recognition and measurement

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 Operating profit/(loss)

Arrived at after charging/(crediting)

| | 2016 £ 000 | 2015 £ 000 |
|-------------------------|-------------------|-------------------|
| Depreciation expense | - | 121 |
| Amortisation expense | - | 105 |
| Staff costs | - | 472 |
| Operating lease rentals | - | 141 |
| | <u> </u> | <u> </u> |

4 Auditors' remuneration

The fees payable to the Company's auditor for the audit of the financial statements of £3,000 (year ended 31 December 2015: £3,000) were borne by a fellow Group undertaking.

5 Interest payable and similar charges

| | 2016 £ 000 | 2015 £ 000 |
|---|---------------|---------------|
| Interest on loans from Group undertakings | <u>655</u> | <u>602</u> |

Precision House Management Services Limited

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

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

| | 2016 £ 000 | 2015 £ 000 |
|--|---------------|---------------|
| Wages and salaries | - | 347 |
| Social security costs | - | 91 |
| Pension costs, defined contribution scheme | - | 34 |
| | <u>-</u> | <u>472</u> |

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

| | 2016 No. | 2015 No. |
|----------------------------|-------------|-------------|
| Administration and support | <u>-</u> | <u>4</u> |

7 Income tax

Tax charged/(credited) in the income statement

| | 2016 £ 000 | 2015 £ 000 |
|---|---------------|---------------|
| Total current income tax | <u>-</u> | <u>-</u> |
| Tax charge/(credit) in the income statement | <u>-</u> | <u>-</u> |

The tax on loss before tax for the year is higher than the standard rate of corporation tax in the UK (2015: higher than the standard rate of corporation tax in the UK) of 20% (2015: 20.25%).

The differences are reconciled below:

| | 2016 £ 000 | 2015 £ 000 |
|---|---------------|----------------|
| Loss before tax | <u>(655)</u> | <u>(2,029)</u> |
| Corporation tax at standard rate | (131) | (411) |
| Expenses not deductible in determining taxable profit | - | 6 |
| Group relief at nil consideration | 131 | 382 |
| Change in unrecognised deferred tax assets | <u>-</u> | <u>23</u> |
| Total tax charge/(credit) | <u>-</u> | <u>-</u> |

Precision House Management Services Limited

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

8 Intangible assets

| | Computer software £ 000 | Total £ 000 |
|--------------------------|-------------------------------|----------------|
| Cost or valuation | | |
| At 1 January 2016 | 360 | 360 |
| Disposals | <u>(360)</u> | <u>(360)</u> |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| Amortisation | | |
| At 1 January 2016 | 240 | 240 |
| Eliminated on disposals | <u>(240)</u> | <u>(240)</u> |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| Carrying amount | | |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| At 31 December 2015 | <u>120</u> | <u>120</u> |

9 Property, plant and equipment

| | Plant and equipment £ 000 | Total £ 000 |
|--------------------------|---------------------------------|----------------|
| Cost or valuation | | |
| At 1 January 2016 | 452 | 452 |
| Disposals | <u>(452)</u> | <u>(452)</u> |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| Depreciation | | |
| At 1 January 2016 | 303 | 303 |
| Eliminated on disposal | <u>(303)</u> | <u>(303)</u> |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| Carrying amount | | |
| At 31 December 2016 | <u>-</u> | <u>-</u> |
| At 31 December 2015 | <u>149</u> | <u>149</u> |

Precision House Management Services Limited

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

10 Trade and other payables - amounts falling due within one year

| | 2016 £ 000 | 2015 £ 000 |
|-----------------------------------|---------------|---------------|
| Trade payables | - | 10 |
| Amounts due to Group undertakings | <u>21,926</u> | <u>21,530</u> |
| | <u>21,926</u> | <u>21,540</u> |

11 Pension schemes

Defined contribution pension scheme

The Company's defined contribution pension scheme, the assets of which were held separately from those of the Company in funds under the control of trustees, was transferred to Melrose PLC. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £Nil (2015: £34,000).

There were no amounts prepaid or payable to the scheme at the end of the current year or the prior year.

12 Share capital

Allotted, called up and fully paid shares

| | 2016 | | 2015 | |
|---------------------------|------------------|--------------|------------------|--------------|
| | Number | £ 000 | Number | £ 000 |
| Ordinary share of £1 each | <u>1,000,000</u> | <u>1,000</u> | <u>1,000,000</u> | <u>1,000</u> |

Precision House Management Services Limited

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

13 Obligations under leases and hire purchase contracts

Operating leases

The total future value of minimum lease payments is as follows:

| | 2016 £ 000 | 2015 £ 000 |
|----------------------|---------------|---------------|
| Within one year | - | 222 |
| In two to five years | - | 389 |
| | <u>-</u> | <u>611</u> |

14 Controlling party

The Company's immediate parent company is Melrose PLC, a company incorporated in England & Wales.

The ultimate parent company and controlling party is Melrose Industries PLC, a company incorporated in England & Wales.

The parent of the smallest and largest group in which these financial statements are consolidated is Melrose Industries PLC, incorporated in England & Wales.

Consolidated financial statements are available from:

11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, West Midlands, B4 6AT.