

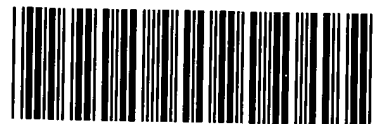
Registered number: 03422948

Tharsus Engineering Limited

Directors' report and financial statements

30 November 2015

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Tharsus Engineering Limited

Company Information

Directors	BA Palmer RW Palmer PA Sayer
Company secretary	M Donnan
Registered number	03422948
Registered office	Birmayne House Cowley Road Blyth Riverside Business Park Blyth Northumberland NE24 5TF
Independent auditor	UNW LLP Chartered Accountants Citygate St James Boulevard Newcastle upon Tyne NE1 4JE
Bankers	National Westminster Bank plc 16 Northumberland Street Newcastle upon Tyne NE1 7EL
Solicitors	Square One Law LLP Anson House The Fleming Business Centre Burdon Terrace Newcastle upon Tyne NE2 3AE

Tharsus Engineering Limited

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Tharsus Engineering Limited

Strategic report Year ended 30 November 2015

Introduction

The principal activity of the company is the provision of Tier 1 manufacturing services, specifically fabrications, sheet metal components and assemblies to a number of sectors, including defence, offshore, transport, telecoms and industrial, as well as to other Tharsus Group companies.

Business review

The business continued to make excellent progress in 2015, exiting the year with the largest order book in its history and a 2016 order backlog of over £4m.

The 2015 results were negatively impacted by a significant customer going into administration, causing both an unsecured loss and an ongoing impairment to trading performance, another significant project suffered delays and required significant investment, further weakening the performance.

2016 will see the realisation of the revenue increase with a stable overhead cost base, which will result in a marked increase in both turnover and profitability.

The directors remain fully confident in the business strategy and that the successes in 2015 will result in sustainable long term income streams.

Principal risks and uncertainties

Company sales are concentrated across a small number of major customers. The company remains focused on extending the range of customers in order to reduce this risk.

Financial key performance indicators

The company's performance and position can be established using analysis of the financial statements and notes thereto, and therefore the directors have not included financial key performance indicators within this report.

Future developments

As noted in the business review, the company has seen a significant upturn in orders from both existing and new customers. A number of major customers have increased their order volumes due to successful product launches.

Financial risk management objectives and policies

The main risks and controls associated with the company's financial assets and liabilities are set out below.

Credit Risk

New and potential customers are assessed by using credit referencing agencies and by taking additional references if appropriate. Existing debtors are managed by regular reviews of amounts outstanding. As such, the directors do not consider there to be a significant credit risk.

Liquidity Risk

The company aims to mitigate liquidity risk by regularly reviewing the current and future cash

Tharsus Engineering Limited

Strategic report (continued) **Year ended 30 November 2015**

positions. The company has an Invoice Discounting Facility with RBS and the bank current account is part of a group facility with NatWest which allows flexibility across the different group companies.

Foreign Currency Risk

The company trades almost exclusively in sterling so there is minimal transactional foreign exchange risk.

Events since the end of the year

There have been no significant events in the period since the year end, however the business has begun to deliver the significantly increased profitability expected as a result of both increased revenues and improving process efficiency.

This report was approved by the board on 22 February 2016 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'BA Palmer', with a long horizontal flourish extending to the right.

BA Palmer
Director

Tharsus Engineering Limited

Directors' report Year ended 30 November 2015

Results and dividends

The profit for the year, after taxation, amounted to £22,735 (2014 - loss £346,892). These amounts are stated after profits on disposal of fixed assets of £28,920 (2014 - losses of £184,204).

The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

BA Palmer
RW Palmer
MJ Hutchinson (resigned 12 June 2015)
PA Sayer
DP Swan (resigned 12 June 2015)
C Moffett (resigned 5 January 2015)

Matters covered in the strategic report

Other matters which are required under Schedule 7 to be disclosed in the directors' report are set out in the strategic report in accordance with s.414C(11) of the Companies Act 2006.

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 that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW will therefore continue in office.

This report was approved by the board on 22 February 2016 and signed on its behalf by:



BA Palmer
Director

Tharsus Engineering Limited

Directors' responsibilities statement Year ended 30 November 2015

The directors are responsible for preparing the strategic report, 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 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 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.



Independent auditor's report to the members of Tharsus Engineering Limited

We have audited the financial statements of Tharsus Engineering Limited for the year ended 30 November 2015, which comprise the profit and loss account, the balance sheet 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).

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, 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 strategic report and the directors' 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 30 November 2015 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 the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Tharsus Engineering 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.



Andrew Wilson BA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

22 February 2016

Tharsus Engineering Limited

Profit and loss account Year ended 30 November 2015

	Note	2015 £	2014 £
Turnover	2	4,001,901	4,435,709
Cost of sales		(2,571,037)	(2,866,889)
Gross profit		1,430,864	1,568,820
Distribution costs		(59,505)	(39,233)
Administrative expenses		(1,387,999)	(1,584,964)
Other operating income	3	-	825
Operating loss	4	(16,640)	(54,552)
Profit/(loss) on disposal of tangible fixed assets	8	28,920	(184,204)
Profit/(loss) on ordinary activities before interest		12,280	(238,756)
Interest payable and similar charges	7	(55,838)	(59,390)
Loss on ordinary activities before taxation		(43,558)	(298,146)
Tax on loss on ordinary activities	9	66,293	(48,746)
Profit/(loss) for the financial year	18	22,735	(346,892)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 9 to 21 form part of these financial statements.

Tharsus Engineering Limited

Balance sheet At 30 November 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	10		138,510		27,293
Tangible assets	11		2,416,570		2,552,715
			<u>2,555,080</u>		<u>2,580,008</u>
Current assets					
Property held for sale		-		152,154	
Stocks	12	328,220		299,721	
Debtors	13	1,081,484		1,439,501	
Cash at bank and in hand		203		141,531	
			<u>1,409,907</u>	<u>2,032,907</u>	
Creditors: amounts falling due within one year	14	(1,477,212)		(2,192,829)	
Net current liabilities			(67,305)		(159,922)
Total assets less current liabilities			<u>2,487,775</u>		<u>2,420,086</u>
Creditors: amounts falling due after more than one year	15		(1,112,828)		(1,044,227)
Provisions for liabilities					
Deferred tax	16		(157,523)		(181,170)
Net assets			<u>1,217,424</u>		<u>1,194,689</u>
Capital and reserves					
Called up share capital	17		200,000		200,000
Capital redemption reserve	18		436,478		436,478
Profit and loss account	18		580,946		558,211
Shareholders' funds	19		<u>1,217,424</u>		<u>1,194,689</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 22 February 2016.



BA Palmer
Director

Company registered number: 03422948

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life of 20 years.

Development expenditure on clearly defined projects whose outcome can be assessed with reasonable certainty is carried forward and amortisation is charged over the life of the project. Development assets are reviewed on a regular basis to ensure they are recoverable against future profits.

Research expenditure and development expenditure which does not meet the above criteria is written off in the year in which it is incurred.

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years straight line
Leasehold improvements	-	10 years straight line
Plant and machinery	-	10 years straight line
Motor vehicles	-	4 years straight line
Fixtures, fittings & equipment	-	3 to 10 years straight line

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

1. Accounting policies (continued)

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Government grants

Government grants relating to tangible fixed assets and employment are treated as deferred income and released to the profit and loss account over the period of the project to which they relate. Other grants are credited to the profit and loss account as the related expenditure is incurred.

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

1. Accounting policies (continued)

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Turnover

The whole of the turnover is attributable to the company's principal activities as described in the directors' report.

All turnover arose within the United Kingdom.

3. Other operating income

	2015 £	2014 £
Government grants receivable	-	825

4. Operating loss

The operating loss is stated after charging:

	2015 £	2014 £
Amortisation - intangible fixed assets	11,697	11,697
Depreciation of tangible fixed assets:		
- owned by the company	237,183	219,050
- held under finance leases	5,169	32,362
Operating lease rentals:		
- other operating leases	15,355	21,000
Amortisation of deferred development expenditure	8,800	-
Auditor's remuneration - audit of the company's annual accounts	7,550	6,800

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

5. Staff costs

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

	2015 £	2014 £
Wages and salaries	1,834,006	2,015,314
Social security costs	154,513	173,848
Other pension costs	34,486	27,376
	<u>2,023,005</u>	<u>2,216,538</u>

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

	2015 No.	2014 No.
Production	68	65
Administration	12	15
	<u>80</u>	<u>80</u>

6. Directors' remuneration

	2015 £	2014 £
Remuneration	<u>109,804</u>	<u>96,688</u>
Company pension contributions to defined contribution pension schemes	<u>4,307</u>	<u>5,919</u>

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of defined contribution pension schemes.

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

7. Interest payable

	2015 £	2014 £
On bank loans and overdrafts	50,665	53,438
On finance leases and hire purchase contracts	2,928	5,341
Other interest payable	2,245	611
	<u>55,838</u>	<u>59,390</u>

8. Profit/(loss) on disposal of fixed assets

	2015 £	2014 £
Profit/(loss) on disposal of fixed assets	<u>28,920</u>	<u>(184,204)</u>

The profit relates to the sale of the Hebburn premises during August 2015. The prior year loss is in connection with the closure of the same premises and preparation for sale.

9. Taxation

	2015 £	2014 £
a) Analysis of tax credit in the year		
Current tax (see note below)		
UK corporation tax credit on loss for the year	(42,624)	(57,284)
Adjustments in respect of prior periods	(22)	(53,926)
Total current tax	<u>(42,646)</u>	<u>(111,210)</u>
Deferred tax		
Origination and reversal of timing differences	(16,465)	(19,544)
Adjustment in respect of prior periods	1,108	177,999
Effect of changes in tax rates	(8,290)	1,501
Total deferred tax (see note 16)	<u>(23,647)</u>	<u>159,956</u>
Tax on loss on ordinary activities	<u>(66,293)</u>	<u>48,746</u>

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

9. Taxation (continued)

b) Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Loss on ordinary activities before tax	<u>(43,558)</u>	<u>(298,146)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	(8,712)	(64,587)
Effects of:		
Expenses not deductible for tax purposes	6,361	7,992
Capital allowances for year less than depreciation	8,144	19,557
Effect of gains (incl. Rollover relief)	9,987	-
Adjustments to tax charge in respect of prior periods	(22)	(53,926)
Movement in short term timing differences	1,061	(11)
Non-taxable income	-	(178)
Research and development tax credit	(42,624)	(57,284)
Research and development enhanced deduction	(75,632)	(56,492)
Unrelieved tax losses carried forward	58,791	93,719
Current tax credit for the year (see note above)	<u>(42,646)</u>	<u>(111,210)</u>

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

10. Intangible fixed assets

	Development costs £	Goodwill £	Total £
Cost			
At 1 December 2014	-	233,940	233,940
Additions	131,714	-	131,714
At 30 November 2015	131,714	233,940	365,654
Amortisation			
At 1 December 2014	-	206,647	206,647
Charge for the year	8,800	11,697	20,497
At 30 November 2015	8,800	218,344	227,144
Net book value			
At 30 November 2015	122,914	15,596	138,510
At 30 November 2014	-	27,293	27,293

11. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost					
At 1 December 2014	1,833,522	1,744,722	86,320	647,935	4,312,499
Additions	-	44,603	9,995	56,643	111,241
Disposals	-	(61,558)	(1,078)	(705)	(63,341)
At 30 November 2015	1,833,522	1,727,767	95,237	703,873	4,360,399
Depreciation					
At 1 December 2014	84,604	1,263,835	58,559	352,786	1,759,784
Charge for the year	36,670	124,076	14,379	66,157	241,282
On disposals	-	(55,454)	(1,078)	(705)	(57,237)
At 30 November 2015	121,274	1,332,457	71,860	418,238	1,943,829
Net book value					
At 30 November 2015	1,712,248	395,310	23,377	285,635	2,416,570
At 30 November 2014	1,748,918	480,887	27,761	295,149	2,552,715

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

11. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Plant and machinery	158,314	153,986
Motor vehicles	23,377	24,324
	<u>181,691</u>	<u>178,310</u>

12. Stocks

	2015 £	2014 £
Raw materials	133,976	154,006
Work in progress	194,244	145,715
	<u>328,220</u>	<u>299,721</u>

13. Debtors

	2015 £	2014 £
Trade debtors	830,437	1,140,292
Amounts owed by group undertakings	164,064	99,250
Other debtors	44,037	142,934
Prepayments and accrued income	42,946	57,025
	<u>1,081,484</u>	<u>1,439,501</u>

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

**14. Creditors:
amounts falling due within one year**

	2015 £	2014 £
Bank loans and overdrafts	765,694	727,848
Net obligations under finance leases and hire purchase contracts	24,258	41,882
Trade creditors	249,816	446,140
Amounts owed to group undertakings	77,170	407,017
Other taxation and social security	132,492	395,225
Other creditors	154,918	127,771
Accruals and deferred income	72,864	46,946
	<u>1,477,212</u>	<u>2,192,829</u>

The bank mortgages are secured over the company's freehold property. Other bank loans are secured against the assets to which they relate.

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

15. Creditors: amounts falling due after more than one year

	2015 £	2014 £
Bank loans	460,985	644,831
Net obligations under finance leases and hire purchase contracts	16,777	14,330
Amounts owed to group undertakings	250,000	-
Directors' loan accounts (note 22)	385,066	385,066
	<u>1,112,828</u>	<u>1,044,227</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
Between one and two years		
Bank loans	<u>212,133</u>	<u>147,378</u>
Between two and five years		
Bank loans	<u>244,366</u>	<u>405,557</u>
Over five years		
Bank loans	<u>4,486</u>	<u>91,896</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>4,486</u>	<u>91,896</u>

At the balance sheet date, the company has two mortgages (2014: three) which bear interest at rates varying from bank base +2.8% to bank base +3.5% (2014: +2.8% to +3.75%). The loans are repayable by equal monthly instalments (capital + interest) of £12,355 (2014: £14,185) in aggregate, and a final instalment on one loan of approximately £117,000. One mortgage was settled in August 2015, upon sale of the Hebburn premises (see note 8).

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

**15. Creditors:
amounts falling due after more than one year (continued)**

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015 £	2014 £
Between one and five years	<u>16,777</u>	<u>14,330</u>

The bank loans are secured over the company's freehold property.

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

16. Deferred taxation

	2015 £	2014 £
At beginning of year	181,170	21,214
(Credit)/charge to the profit and loss account for the year	(23,647)	159,956
At end of year	<u>157,523</u>	<u>181,170</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	216,485	242,175
Short term timing differences	(1,611)	(635)
Losses	(57,351)	(60,370)
	<u>157,523</u>	<u>181,170</u>

At the balance sheet date, the company has further trading losses of £nil (2014: £302,000) to carry forward, available for offset against future profits of the same trade. No deferred tax asset has been recognised in respect of these losses due to uncertainty as to the timing of any utilisation.

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

17. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
200,000 'A' Ordinary shares shares of £1 each	<u>200,000</u>	<u>200,000</u>

18. Reserves

	Capital redempt'n reserve £	Profit and loss account £
At 1 December 2014	436,478	558,211
Profit for the financial year	-	22,735
At 30 November 2015	<u>436,478</u>	<u>580,946</u>

19. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	1,194,689	1,541,581
Profit/(loss) for the financial year	<u>22,735</u>	<u>(346,892)</u>
Closing shareholders' funds	<u>1,217,424</u>	<u>1,194,689</u>

20. Pension commitments

The company operates a defined contributions 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 and amounted to £34,486 (2014: £27,376). Contributions totalling £13,297 (2014: £5,381) were payable to the fund at the balance sheet date and are included in creditors.

Tharsus Engineering Limited

Notes to the financial statements Year ended 30 November 2015

21. Operating lease commitments

At 30 November 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Within 1 year	-	21,000

22. Related party transactions

The company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed details of transactions or balances with either Tharsus Group Limited or with other wholly-owned subsidiaries of the group headed by Tharsus Group Limited.

During the year the company paid rent of £15,355 (2014: £21,000) to BA Palmer.

Director loans:

	BA Palmer	RW Palmer	Total
	£	£	£
At 1 December 2014	85,066	300,000	385,066
Loans advanced	-	-	-
Loans repaid	-	-	-
	<u>85,066</u>	<u>300,000</u>	<u>385,066</u>

The directors have confirmed that the loans will not be called for repayment until December 2016 or later, therefore the loans are presented within creditors due after one year.

23. Ultimate controlling party

The company is a subsidiary undertaking of Tharsus Group Limited, which is the ultimate parent undertaking incorporated in England and Wales.

The only group in which the results of the company are consolidated is that headed by Tharsus Group Limited. The consolidated financial statements of this group are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is BA Palmer, by virtue of his interest in the entire issued share capital of Tharsus Group Limited.