

Company Registration No. 03435385 (England and Wales)

THE HIGHTEC GROUP LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

PAGES FOR FILING WITH REGISTRAR

THE HEIGHTEC GROUP LIMITED

COMPANY INFORMATION

Director	Mr K Jones
Secretary	Ms J K Laverack
Company number	03435385
Registered office	Lake District Business Park Mint Bridge Road Kendal LA9 6NH
Accountants	MHA Moore and Smalley Kendal House Murley Moss Business Village Oxenholme Road Kendal LA9 7RL

THE HEIGHTEC GROUP LIMITED

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THE HIGHTEC GROUP LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets			39,853		47,928
Tangible assets	4		221,477		237,703
Current assets					
Stocks		378,250		333,727	
Debtors	5	565,597		598,139	
Cash at bank and in hand		219,254		273,800	
		1,163,101		1,205,666	
Creditors: amounts falling due within one year	6	(504,021)		(571,815)	
Net current assets			659,080		633,851
Total assets less current liabilities			920,410		919,482
Creditors: amounts falling due after more than one year	7		(264,048)		(291,193)
Provisions for liabilities			(14,370)		(17,235)
Deferred income			(26,052)		(35,894)
Net assets			615,940		575,160
Capital and reserves					
Called up share capital	8		33,510		33,510
Profit and loss reserves			582,430		541,650
Total equity			615,940		575,160

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 30 September 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

THE HEIGHTEC GROUP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2017

The financial statements were approved and signed by the director and authorised for issue on 6 April 2018

Mr K Jones
Director

Company Registration No. 03435385

THE HEIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

Company information

The Heightec Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lake District Business Park, Mint Bridge Road, Kendal, LA9 6NH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2017 are the first financial statements of The Heightec Group Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

After making the appropriate enquiries, the directors have concluded that the company will be able to meet its financial obligations and will continue to generate positive free cash flow for the foreseeable future and therefore have a reasonable expectation the company has adequate resources to continue in operational existence for the foreseeable future, and accordingly, consider it appropriate to adopt the going concern basis in preparing the accounts

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts, to the extent that the company has a right to consideration arising from the performance of its contractual arrangements. Training sales are recognised when the training takes place. Equipment sales are recognised on dispatch.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

THE HIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	20% straight line
Development Costs	20% straight line

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

L'hold improv'ts	over the remaining term of the lease
Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end 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 in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. 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.

THE HIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.9 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

THE HIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 53 (2016 - 58).

THE HEIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

3 Intangible fixed assets

	Patents	Development Costs	Total
	£	£	£
Cost			
At 1 October 2016	49,271	50,593	99,864
Additions - separately acquired	5,800	-	5,800
	<u>55,071</u>	<u>50,593</u>	<u>105,664</u>
At 30 September 2017			
Amortisation and impairment			
At 1 October 2016	41,817	10,119	51,936
Amortisation charged for the year	3,756	10,119	13,875
	<u>45,573</u>	<u>20,238</u>	<u>65,811</u>
At 30 September 2017			
Carrying amount			
At 30 September 2017	9,498	30,355	39,853
	<u>7,454</u>	<u>40,474</u>	<u>47,928</u>
At 30 September 2016			

4 Tangible fixed assets

	L'hoid improv'ts	Plant and machinery	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 October 2016	124,352	426,313	205,626	163,309	919,600
Additions	1,983	12,139	3,251	43,300	60,673
Disposals	-	-	-	(50,500)	(50,500)
	<u>126,335</u>	<u>438,452</u>	<u>208,877</u>	<u>156,109</u>	<u>929,773</u>
At 30 September 2017					
Depreciation and impairment					
At 1 October 2016	120,046	312,231	156,033	93,587	681,897
Depreciation charged in the year	2,282	29,525	12,741	18,026	62,574
Eliminated in respect of disposals	-	-	-	(36,175)	(36,175)
	<u>122,328</u>	<u>341,756</u>	<u>168,774</u>	<u>75,438</u>	<u>708,296</u>
At 30 September 2017					
Carrying amount					
At 30 September 2017	4,007	96,696	40,103	80,671	221,477
	<u>4,306</u>	<u>114,082</u>	<u>49,593</u>	<u>69,722</u>	<u>237,703</u>
At 30 September 2016					

THE HIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

5 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	433,577	465,054
Other debtors	75,618	92,839
	<u>509,195</u>	<u>557,893</u>
Amounts falling due after more than one year:		
Other debtors	<u>56,402</u>	<u>40,246</u>
Total debtors	<u>565,597</u>	<u>598,139</u>

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	36,345	35,000
Trade creditors	165,870	183,947
Taxation and social security	137,146	180,953
Other creditors	164,660	171,915
	<u>504,021</u>	<u>571,815</u>

7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	227,500	262,500
Other creditors	36,548	28,693
	<u>264,048</u>	<u>291,193</u>

The hire purchase liability of £19,261 (2016: £17,114) disclosed under creditors falling due within one year and £36,548 (2016: £28,693) disclosed under creditors falling due after more than one year are secured on the assets to which they relate.

The bank loan liability of £35,000 (2016: £35,000) disclosed under creditors falling due within one year and £227,500 (2016: £262,500) disclosed under creditors falling due after more than one year are secured by a fixed and floating charge over the assets of the company.

THE HEIGHTEC GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

7 Creditors: amounts falling due after more than one year (Continued)

Amounts included above which fall due after five years are as follows:

Payable by instalments	87,500	122,500
	<u> </u>	<u> </u>

8 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
10,005 'A' Ordinary of £1 each	10,005	10,005
10,000 'B' Ordinary of £1 each	10,000	10,000
7,505 'C' Ordinary of £1 each	7,505	7,505
6,000 'D' Ordinary of £1 each	6,000	6,000
	<u> </u>	<u> </u>
	33,510	33,510
	<u> </u>	<u> </u>

All classes of ordinary shares rank pari passu in all respect save that the directors can declare a dividend on one class of share and not another class.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017 £	2016 £
	819,494	1,090,038
	<u> </u>	<u> </u>

10 Directors' transactions

A personal guarantee has been provided by Mr K Jones in respect of a bank overdraft facility of £100,000 and a bank loan totalling £262,500 (2016 £297,500).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.