

REGISTERED NUMBER: 03696680

**TECTONIC INTERNATIONAL LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

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FOR THE YEAR ENDED 31 DECEMBER 2016

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TECTONIC INTERNATIONAL LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016**

DIRECTORS:

S Harper
G R Jones

SECRETARY:

G R Jones

REGISTERED OFFICE:

Elfed House
Oak Tree Court, Mulberry Drive
Cardiff Gate Business Park
CARDIFF
CF23 8RS

REGISTERED NUMBER:

03696680

ACCOUNTANTS:

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

BALANCE SHEET
31 DECEMBER 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	4	52,520	63,020
Tangible assets	5	<u>269,959</u>	<u>276,592</u>
		<u>322,479</u>	<u>339,612</u>
CURRENT ASSETS			
Stocks		80,719	77,766
Debtors	6	61,389	82,632
Cash at bank and in hand		<u>8,512</u>	<u>15,344</u>
		150,620	175,742
CREDITORS			
Amounts falling due within one year	7	<u>(144,641)</u>	<u>(140,062)</u>
NET CURRENT ASSETS		<u>5,979</u>	<u>35,680</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		328,458	375,292
CREDITORS			
Amounts falling due after more than one year	8	<u>(107,535)</u>	<u>(148,308)</u>
NET ASSETS		<u>220,923</u>	<u>226,984</u>
CAPITAL AND RESERVES			
Called up share capital		5,000	5,000
Share premium		138,709	138,709
Revaluation reserve		52,520	63,020
Retained earnings		<u>24,694</u>	<u>20,255</u>
SHAREHOLDERS' FUNDS		<u>220,923</u>	<u>226,984</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

BALANCE SHEET - continued
31 DECEMBER 2016

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 Profit and loss account has not been delivered.

The financial statements were approved for issue by the Board of Directors on 18 September 2017 and were signed on its behalf by:

S Harper - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. STATUTORY INFORMATION

Tectonic International 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.

The company's functional and presentational currency in the financial statements is the Sterling (£), rounded to the nearest pound.

The significant accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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.

These financial statements for the year ended 31 December 2016 are the first financial statements to comply with Financial Reporting Standard 102 Section 1A. The date of transition is 1 January 2015.

The transition to Financial Reporting Standard 102 Section 1A has resulted in no changes to existing accounting policies which can be seen in the following notes.

Turnover

The turnover shown in the profit and loss account represents income receivable during the year, exclusive of Value Added Tax, in respect of the design and manufacture of web printing press inspection systems.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2001, is being amortised evenly over its useful economic life of twenty years.

Based on the performance of the company since acquisition, the directors consider that the useful economic life of goodwill is still valid.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	-5% straight line
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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.

Development costs have been fully amortised in the current year.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold property	-over 50 years
Plant and machinery	-25% on reducing balance
Fixtures & fittings	-25% on reducing balance
Computer equipment	-25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, 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 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

Research and development expenditure which is regarded as part of a continuing operation required to maintain the company's business and its competitive position, is written off when incurred.

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.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, trade and other creditors and interest free loans.

Unless otherwise stated, the carrying value of the company's financial assets and liabilities are a reasonable approximation of their fair values.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

Government grants

Government grants of a revenue nature are credited to the profit and loss account in the period to which they relate. Government grants made as a contribution towards expenditure on fixed assets are treated as deferred income and amortised until the conditions of the grant are met.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 6 (2015 - 6) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST OR VALUATION	
At 1 January 2016	
and 31 December 2016	<u>209,915</u>
AMORTISATION	
At 1 January 2016	146,895
Amortisation for year	<u>10,500</u>
At 31 December 2016	<u>157,395</u>
NET BOOK VALUE	
At 31 December 2016	<u>52,520</u>
At 31 December 2015	<u>63,020</u>

Cost or valuation at 31 December 2016 is represented by:

	Goodwill £
Valuation in 2001	<u>209,915</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2016	288,776	56,930	9,883	34,902	390,491
Additions	-	-	-	516	516
At 31 December 2016	<u>288,776</u>	<u>56,930</u>	<u>9,883</u>	<u>35,418</u>	<u>391,007</u>
DEPRECIATION					
At 1 January 2016	17,322	56,562	8,895	31,120	113,899
Charge for year	<u>5,776</u>	<u>92</u>	<u>247</u>	<u>1,034</u>	<u>7,149</u>
At 31 December 2016	<u>23,098</u>	<u>56,654</u>	<u>9,142</u>	<u>32,154</u>	<u>121,048</u>
NET BOOK VALUE					
At 31 December 2016	<u>265,678</u>	<u>276</u>	<u>741</u>	<u>3,264</u>	<u>269,959</u>
At 31 December 2015	<u>271,454</u>	<u>368</u>	<u>988</u>	<u>3,782</u>	<u>276,592</u>

6. DEBTORS

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	31,944	45,129
Other debtors	970	-
VAT	-	7,905
Deferred tax asset	4	-
Prepayments and accrued income	<u>14,762</u>	<u>17,232</u>
	<u>47,680</u>	<u>70,266</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

6. DEBTORS - continued

	2016 £	2015 £
Amounts falling due after more than one year:		
Deferred tax asset	<u>13,709</u>	<u>12,366</u>
Aggregate amounts	<u>61,389</u>	<u>82,632</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Bank loans	8,761	8,324
Trade creditors	51,870	50,119
Corporation tax	2	2
Social security and other taxes	1,998	5,240
VAT	985	-
Other creditors	212	808
Director's loan account	76,939	70,404
Accruals and deferred income	3,874	4,472
Deferred government grants	-	693
	<u>144,641</u>	<u>140,062</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Bank loans - 1-5 years	107,535	116,540
Deferred government grants	-	31,768
	<u>107,535</u>	<u>148,308</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2016 £	2015 £
Bank loans	<u>116,296</u>	<u>124,864</u>

The bank loan is secured by a fixed charge over the freehold property of the company.

10. FINANCIAL COMMITMENTS

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £8,409 (2015 - £15,507), relating to operating lease commitments.

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.