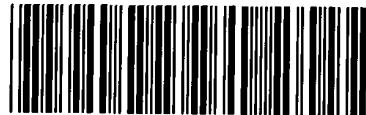


**"V" Installations Mechanical Handling Limited**  
**Financial Statements**

**30 April 2017**

**COMPANY REGISTRATION NUMBER: 04372047**

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# **"V" Installations Mechanical Handling Limited**

## **Financial Statements**

**Year ended 30 April 2017**

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# **"V" Installations Mechanical Handling Limited**

## **Officers and Professional Advisers**

### **The board of directors**

S.C. Smith  
S.A. Davis  
G.J. Fox  
S.J. Trow

### **Company secretary**

P.L.E. Fox

### **Registered office**

8 Jury Street  
Warwick  
CV34 4EW

### **Auditor**

Edwards Pearson & White (Audit) Limited  
Chartered Certified Accountants & statutory auditor  
8 Jury Street  
Warwick  
CV34 4EW

# **"V" Installations Mechanical Handling Limited**

## **Strategic Report**

**Year ended 30 April 2017**

The Directors of V Installations present their Strategic Report together with the audited financial statements for the year ending 30 April 2017.

### **Principle Activities Review of the Business.**

The Principle activity of the Company this year has been implementing changes and additional production facilities to BIW Process Mechanical Handling and Vehicle parts JIT facilities to JLR suppliers and a Major remodelling project for Prestige car manufacture Bentley Motors.

The Directors of V Installations are unsatisfied with both turnover and negative profitability, its processes and procedures, flexibility, pace of delivery, innovation and working to meet its customer's needs have been challenging with the down turn in project availability within our current customer base, we believe that the delays with focussed project completion and unclarified project Exit criteria is a major factor to the downturn in project profitability.

We are reviewing the existing market and integrating into new markets to provide a solid foundation for future business development opportunities within other sectors of our current customer base, and we have a fresh focus on expanding our non-automotive opportunities with the engagement of new sales structure.

### **Future Developments.**

During 2016-17 we have increased our small project opportunities at JLR Halewood, as we have developed a strong team to support the small project local orders and medium sized project success now being integrated through the northern office.

During 2016-17 we are continuing our communication regarding expanding the Licence agreement opportunities with Leantechnik for integration into the US markets and are actively operating within this market sector, and are closing out another partnership opportunity with a German Swarf and bespoke conveyor supplier for the UK market.

As part of this year's Business strategy we are utilising our accreditation to BS EN1090 for internal manufacturing opportunities, this will remove the current need to sub contract these elements of project deliverables and will develop greater infrastructure profitable project deliverables.

### **Principle Risks and Uncertainties.**

The Mechanical Handling market becomes increasingly competitive with competitors challenging strongly for all tenders in the automotive sector in the UK. V Installations will continue to build their business by providing innovative and timely Mechanical Handling solutions for their automotive customers and in parallel to explore new opportunities in general industry in Europe and Worldwide.

We have continued to retain the majority of our loyal staff but we are also reviewing the Project management structure to increase the level of multiple project deliverables and to engage our customers with more controlled project management tools, with a major focus on the control of change management.

### **Liquidity.**

Liquidity is currently at acceptable levels.

### **Key Performance Indicators.**

The Directors consider cash-flow control and future profitability as the Key Performance indicators of the business, which will be closely monitored through monthly management meetings.

Key KPI's	2017	2016	2015
Gross Margin	18.80%	13.31%	23.06%
Net Margin	2.16%	(3.15)%	15.30%

# **"V" Installations Mechanical Handling Limited**

## **Strategic Report *(continued)***

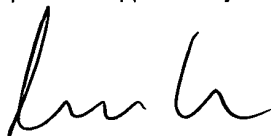
**Year ended 30 April 2017**

Current Ratio	1.94	1.67	2.00
---------------	------	------	------

During 2017-18 we will be developing further overseas opportunities in the United States (with an opportunity with a repeat project for Tesla) and increase our opportunities within JLR in European Union.

Overall we are happy with V Installations' strategy to return to profitability within the next financial period.

This report was approved by the board of directors on 29 January 2018 and signed on behalf of the board by:



G.J. Fox  
Director

# **"V" Installations Mechanical Handling Limited**

## **Directors' Report**

**Year ended 30 April 2017**

The directors present their report and the financial statements of the company for the year ended 30 April 2017.

### **Directors**

The directors who served the company during the year were as follows:

G.J. Fox  
S.J. Trow

### **Dividends**

Particulars of recommended dividends are detailed in note 12 to the financial statements.

### **Research and development**

The company carried out research and development in the period.

### **Disclosure of information in the strategic report**

Future Developments of the company are included in the Strategic Report.

### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, 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.

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

# **"V" Installations Mechanical Handling Limited**

## **Directors' Report *(continued)***

**Year ended 30 April 2017**

This report was approved by the board of directors on 29 January 2018 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'G.J. Fox', written in a cursive style.

G.J. Fox  
Director

# **"V" Installations Mechanical Handling Limited**

## **Independent Auditor's Report to the Members of "V" Installations Mechanical Handling Limited**

**Year ended 30 April 2017**

We have audited the financial statements of "V" Installations Mechanical Handling Limited for the year ended 30 April 2017 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 April 2017 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.



# **"V" Installations Mechanical Handling Limited**


## **Independent Auditor's Report to the Members of "V" Installations Mechanical Handling Limited (continued)**

**Year ended 30 April 2017**

### **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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.



Jonathan Cousins (Senior Statutory Auditor)

For and on behalf of  
Edwards Pearson & White (Audit) Limited  
Chartered Certified Accountants & statutory auditor  
8 Jury Street  
Warwick  
CV34 4EW

30 January 2018

# "V" Installations Mechanical Handling Limited

## Statement of Income and Retained Earnings

Year ended 30 April 2017

	Note	2017 £	2016 £
<b>Turnover</b>	<b>4</b>	<b>13,074,496</b>	<b>13,410,667</b>
Cost of sales		<u>10,616,651</u>	<u>11,625,887</u>
<b>Gross profit</b>		<b>2,457,845</b>	<b>1,784,780</b>
Distribution costs		527,181	350,284
Administrative expenses		<u>1,655,214</u>	<u>1,856,440</u>
<b>Operating profit/(loss)</b>	<b>5</b>	<b>275,450</b>	<b>(421,944)</b>
Other interest receivable and similar income	9	9,968	15,040
Interest payable and similar expenses	10	<u>3,629</u>	<u>594</u>
<b>Profit/(loss) before taxation</b>		<b>281,789</b>	<b>(407,498)</b>
Tax on profit/(loss)	11	<u>29,485</u>	<u>(69,796)</u>
<b>Profit/(loss) for the financial year and total comprehensive income</b>		<b><u>252,304</u></b>	<b><u>(337,702)</u></b>
Dividends paid and payable	12	<u>(10,000)</u>	<u>(2,000,000)</u>
<b>Retained earnings at the start of the year</b>		<b><u>6,312,183</u></b>	<b><u>8,649,885</u></b>
<b>Retained earnings at the end of the year</b>		<b><u>6,554,487</u></b>	<b><u>6,312,183</u></b>

All the activities of the company are from continuing operations.

The notes on pages 11 to 21 form part of these financial statements.

# "V" Installations Mechanical Handling Limited

## Statement of Financial Position

30 April 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	13	2,819,231	3,024,158
<b>Current assets</b>			
Debtors	14	6,996,721	5,341,693
Cash at bank and in hand		<u>791,456</u>	<u>3,043,203</u>
		7,788,177	8,384,896
<b>Creditors: amounts falling due within one year</b>	15	<u>4,005,142</u>	<u>5,024,036</u>
<b>Net current assets</b>		<u>3,783,035</u>	<u>3,360,860</u>
<b>Total assets less current liabilities</b>		<u>6,602,266</u>	<u>6,385,018</u>
<b>Creditors: amounts falling due after more than one year</b>	16	-	513
<b>Provisions</b>			
Taxation including deferred tax	18	<u>47,679</u>	<u>72,222</u>
<b>Net assets</b>		<u>6,554,587</u>	<u>6,312,283</u>
<b>Capital and reserves</b>			
Called up share capital	21	100	100
Profit and loss account	22	<u>6,554,487</u>	<u>6,312,183</u>
<b>Shareholders funds</b>		<u>6,554,587</u>	<u>6,312,283</u>

These financial statements were approved by the board of directors and authorised for issue on 29 January 2018, and are signed on behalf of the board by:



G.J. Fox  
Director

Company registration number: 04372047

The notes on pages 11 to 21 form part of these financial statements.

# "V" Installations Mechanical Handling Limited

## Statement of Cash Flows

Year ended 30 April 2017

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	252,304	(337,702)
<i>Adjustments for:</i>		
Depreciation of tangible assets	186,504	241,524
Other interest receivable and similar income	(9,968)	(15,040)
Interest payable and similar expenses	3,629	594
Gains on disposal of tangible assets	(1,529)	(368)
Tax on profit/(loss)	29,485	(69,796)
Accrued expenses	1,152	3,431
<i>Changes in:</i>		
Trade and other debtors	(1,655,028)	1,136,306
Trade and other creditors	99,102	(714,347)
Cash generated from operations	(1,094,349)	244,602
Interest paid	(3,629)	(594)
Interest received	9,968	15,040
Tax (paid)/received	(54,028)	45,629
Net cash (used in)/from operating activities	(1,142,038)	304,677
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(4,998)	(144,220)
Proceeds from sale of tangible assets	24,950	2,501
Net cash from/(used in) investing activities	19,952	(141,719)
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	(1,115,690)	118,510
Payments of finance lease liabilities	(3,971)	(6,423)
Dividends paid	(10,000)	(2,000,000)
Net cash used in financing activities	(1,129,661)	(1,887,913)
<b>Net decrease in cash and cash equivalents</b>	(2,251,747)	(1,724,955)
<b>Cash and cash equivalents at beginning of year</b>	3,043,203	4,768,158
<b>Cash and cash equivalents at end of year</b>	791,456	3,043,203

The notes on pages 11 to 21 form part of these financial statements.

# **"V" Installations Mechanical Handling Limited**

## **Notes to the Financial Statements**

**Year ended 30 April 2017**

**1. General information**

The company is a private company limited by shares, registered in England and Wales, company number 04372047. The address of the registered office is 8 Jury Street, Warwick, CV34 4EW. Principle place of business is in England.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

# **"V" Installations Mechanical Handling Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 April 2017**

### **3. Accounting policies *(continued)***

#### **Financial instruments**

##### **Basic financial instruments**

##### **Financial assets**

Financial assets comprise cash at bank and in hand and trade debtors; these are initially recorded at cost on the date they originate and are subsequently recorded at amortised cost under the effective interest method. The company considers evidence of impairment for all individual trade and other debtors and any subsequent impairment is recognised in profit or loss.

Impairment of financial assets carries at amortised cost

Impairment provisions are recognised when there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment. Impairment provisions represent the difference between the net carrying amount of a financial asset and the present value of the expected future cash receipts from that asset.

##### **Financial liabilities**

Financial liabilities comprise corporation tax, social security and other taxes and accruals; these are initially recorded at cost on the date they originate, and are subsequently carried at amortised cost under the effective interest rate method.

##### **Debtors**

Short term debtors are measured at transaction price, less any impairment.

##### **Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice or not more than 24 hours.

##### **Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

##### **Stock and work in progress**

Stock and work in progress is valued at the lower of cost or net realisable value. Cost is based on purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs for completion and disposal.

At each reporting date stock and work in progress are assessed for impairment. If stock and work in progress is impaired the carrying value is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

##### **Leases**

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets of the company. Other leases that do not transfer substantially all the risks

# **"V" Installations Mechanical Handling Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 April 2017**

### **3. Accounting policies *(continued)***

and rewards of ownership of the leased assets to the company are classified as operating leases.

Payments received under operating leases are recognised as income over the lease term on a straight-line basis.

#### **Income Tax**

Taxation expense represents the aggregate amount of the current tax and deferred tax recognised in the reporting period.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years.

A deferred tax asset or liability is recognised for tax recoverable or payable in future periods in respect of transactions and events recognised in the financial statements of current and previous periods.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date apart from certain exceptions. Unrelieved tax losses and other deferred tax assets are only 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantially enacted by the reporting date and that they are expected to apply to the reversal of the timing differences. Deferred tax relating to land and investment properties that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset.

# **"V" Installations Mechanical Handling Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 April 2017**

### **Judgements and key sources of estimation uncertainty**

Judgements in applying account policies and key sources of estimation in uncertainty

In preparing these financial statements the directors have had to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances. The results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The significant judgements, estimates and assumptions are:

- Trade debtors

At each reporting date, amounts owed by trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

- Revenue recognition

As explained in note 3, contract revenues are recognised based on stage of completion. The application of this accounting policy requires the state of completion on contracts to be assessed. An inherent degree of judgement will exist in determining the stage of completion on a contract at a given time.

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Stocks

At each reporting date, the amounts in stock are assessed for recoverability. If there is any evidence of impairment the carrying amount of the stock is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.



# **"V" Installations Mechanical Handling Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 April 2017**

### **3. Accounting policies *(continued)***

#### **Income tax *(continued)***

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

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

Land and Buildings	-	2% straight line
Plant and Machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance

#### **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 3. Accounting policies *(continued)*

#### Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

#### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. Turnover

Turnover arises from:

	2017 £	2016 £
Sale of goods	<u>13,074,496</u>	<u>13,410,667</u>

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2017 £	2016 £
United Kingdom	12,511,450	13,403,850
Overseas	<u>563,046</u>	<u>6,817</u>
	<u>13,074,496</u>	<u>13,410,667</u>

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 5. Operating profit

Operating profit or loss is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	186,504	241,524
Gains on disposal of tangible assets	(1,529)	(368)
Foreign exchange differences	13,689	(4,305)

### 6. Auditor's remuneration

	2017 £	2016 £
Fees payable for the audit of the financial statements	4,680	4,900
Fees payable to the company's auditor and its associates for other services:		
Audit-related assurance services	1,800	2,250
Taxation advisory services	500	500
	2,300	2,750

### 7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2017 No.	2016 No.
Production staff	20	16
Administrative staff	25	28
Management staff	2	2
	47	46

The aggregate payroll costs incurred during the year, relating to the above, were:

	2017 £	2016 £
Wages and salaries	1,874,569	2,105,777
Social security costs	217,982	232,176
Other pension costs	54,115	65,559
	2,146,666	2,403,512

### 8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2017 £	2016 £
Remuneration	176,313	194,323
Company contributions to defined contribution pension plans	3,375	40,712
	179,688	235,035

The number of directors who accrued benefits under company pension plans was as follows:

	2017 No.	2016 No.
Defined contribution plans	2	2

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 9. Other interest receivable and similar income

	2017	2016
	£	£
Interest on cash and cash equivalents	4,524	9,860
Interest receivable	5,367	3,854
Other interest receivable and similar income	77	1,326
	<u>9,968</u>	<u>15,040</u>

### 10. Interest payable and similar expenses

	2017	2016
	£	£
Interest on obligations under finance leases and hire purchase contracts	469	594
Corporation tax interest	3,160	—
	<u>3,629</u>	<u>594</u>

### 11. Tax on profit/(loss)

#### Major components of tax expense/(income)

	2017	2016
	£	£
<b>Current tax:</b>		
UK current tax expense/(income)	93,631	(45,629)
Adjustments in respect of prior periods	(39,603)	—
Total current tax	<u>54,028</u>	<u>(45,629)</u>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(24,543)	(24,167)
<b>Tax on profit/(loss)</b>	<u>29,485</u>	<u>(69,796)</u>

#### Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the year is lower than (2016: higher than) the standard rate of corporation tax in the UK of 19.92% (2016: 20%).

	2017	2016
	£	£
Profit/(loss) on ordinary activities before taxation	281,789	(407,498)
Profit/(loss) on ordinary activities by rate of tax	56,132	(81,500)
Adjustment to tax charge in respect of prior periods	(39,603)	—
Effect of expenses not deductible for tax purposes	12,965	13,990
Rounding on tax charge	(9)	(2,286)
<b>Tax on profit/(loss)</b>	<u>29,485</u>	<u>(69,796)</u>

#### Factors that may affect future tax expense

A number of changes in the UK corporation tax system were announced in the March 2016 Budget, including that the main rate of corporation tax would reduce to 17% with effect from 1 April 2020. These tax rate reductions have not been substantively enacted to date and therefore have not been reflected in the financial statements.

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements (continued)

Year ended 30 April 2017

### 12. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2017 £	2016 £
Dividends on equity shares	<u>10,000</u>	<u>2,000,000</u>

### 13. Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2016	2,475,982	504,680	510,959	3,491,621
Additions	—	4,998	—	4,998
Disposals	—	—	(56,417)	(56,417)
<b>At 30 April 2017</b>	<u>2,475,982</u>	<u>509,678</u>	<u>454,542</u>	<u>3,440,202</u>
<b>Depreciation</b>				
At 1 May 2016	62,574	189,765	215,124	467,463
Charge for the year	39,217	79,184	68,103	186,504
Disposals	—	—	(32,996)	(32,996)
<b>At 30 April 2017</b>	<u>101,791</u>	<u>268,949</u>	<u>250,231</u>	<u>620,971</u>
<b>Carrying amount</b>				
<b>At 30 April 2017</b>	<u>2,374,191</u>	<u>240,729</u>	<u>204,311</u>	<u>2,819,231</u>
At 30 April 2016	<u>2,413,408</u>	<u>314,915</u>	<u>295,835</u>	<u>3,024,158</u>

### 14. Debtors

	2017 £	2016 £
Trade debtors	6,588,477	4,829,732
Prepayments and accrued income	8,990	26,630
Corporation tax repayable	261,870	361,051
Other debtors	137,384	124,280
	<u>6,996,721</u>	<u>5,341,693</u>

### 15. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	2,756,108	2,174,740
Accruals and deferred income	12,878	11,726
Social security and other taxes	344,693	295,292
Obligations under finance leases and hire purchase contracts	513	3,971
Director loan accounts	884,310	2,000,000
Other creditors	6,640	538,307
	<u>4,005,142</u>	<u>5,024,036</u>

### 16. Creditors: amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance leases and hire purchase contracts	—	513

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 17. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2017	2016
	£	£
Not later than 1 year	513	3,971
Later than 1 year and not later than 5 years	—	513
	<u>513</u>	<u>4,484</u>

### 18. Provisions

	Deferred tax (note 19)
	£
At 1 May 2016	72,222
Charge against provision	(24,543)
At 30 April 2017	<u>47,679</u>

### 19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2017	2016
	£	£
Included in provisions (note 18)	<u>47,679</u>	<u>72,222</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2017	2016
	£	£
Accelerated capital allowances	<u>47,679</u>	<u>72,222</u>

### 20. Employee benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £54,115 (2016: £65,559).

### 21. Called up share capital

#### Issued, called up and fully paid

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

There are no restrictions on the shares.

### 22. Reserves

The company's capital and reserves are as follows:

Share Capital - represents the nominal value of shares issued.

Profit and Loss Account - represents cumulative profits or losses net of dividends paid.

# "V" Installations Mechanical Handling Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	27,524	30,287
Later than 1 year and not later than 5 years	10,274	37,798
	<u>37,798</u>	<u>68,085</u>

### 24. Limitation of auditors liability

The company on 14th November 2017 has entered into a limitation of auditors liability with the auditor limiting the auditor's liability to a maximum of £1,000,000 (including interest).

### 25. Directors' advances, credits and guarantees

At 30th April 2017 the Directors Loan Account was a credit balance of £884,310 (2016: £2,000,000)

### 26. Related party transactions

The company was under the control of G.J. Fox throughout the current and previous year. G.J. Fox is the managing director and majority shareholder.