

Company Registration No. 04590648 (England and Wales)

**GPX ENGINEERING LTD**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2015**



# **GPX ENGINEERING LTD**

## **COMPANY INFORMATION**

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### **Directors**

Patricia G O'Neill  
Michael P S Horgan  
Damian F Tiernan  
Simon J V Miesegaes  
Declan Carr  
John Stevens  
Antony J Black

### **Secretary**

Simon J V Miesegaes

### **Company number**

04590648

### **Registered office**

Heather Park House  
North Circular Road  
Stonebridge  
London  
NW10 7NN

### **Auditors**

Cheesmans  
4 Aztec Row  
Berners Road  
London  
N1 0PW

### **Bankers**

Barclays Bank PLC  
One Churchill Place  
London  
E14 5HP

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# GPX ENGINEERING LTD

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# **GPX ENGINEERING LTD**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2015**

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The directors present their report and audited financial statements for the year ended 31 March 2015.

#### **Principal activities**

The company is engaged in the provision of welding services primarily within the local and national rail environment. The financial results of the company are strong reflecting the quality of its offering to our clients.

The company has continued to work closely with its main clients as they seek to upgrade the UK Rail infrastructure network. The company has a number of significant contracts within which the majority of works take place and during the year, geographical coverage has included the establishment of hubs in Doncaster, Kent and Wales.

The principal risks facing the business are as follows:

- A loss of reputation as a high class provider of specialist welding and grinding services;
- Increased competition and pressure on margins as a result of an increase of new entrants into the business environment;
- Failure to comply with the highly stringent conditions and procedures within the UK Railway infrastructure network;
- Failure within the Health and Safety, and Quality and Assurance environments; and
- Ongoing threat to budget of expenditure costs as a consequence of the prevailing market conditions;

The key performance indicators for the company are as follows:

- Ability to increase turnover which, in turn, brings economies of scale given the company's relatively fixed central overhead charge;
- Ability to withstand margin pressure on a contract by contract basis;
- Ability to control working capital and, in particular, the ability to reduce the period between completion of work and agreement of final accounts; and
- Ability to migrate operatives from one contract to another in order to satisfy clients' demands.

The directors are confident of the business going forward and in particular of supporting their clients in view of the significant works that they are required to carry out under their commercial contracts.

Turnover has increased on the previous year reflecting the securing of further welding contracts.

The adopted department and group procedures continue to be applied to aid the directors in monitoring the performance of the company:

- Regular meetings are held to review the management accounts including detailed reviews of the key performance indicators of margins, volumes of sales, overheads and contractual issues as well as performance against budget; and
- Weekly cash flow forecasts and debtor analyses are regularly reviewed by directors.

# **GPX ENGINEERING LTD**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015**

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### **Directors**

The following directors have held office since 1 April 2014:

Patricia G O'Neill  
Michael P S Horgan  
Damian F Tiernan  
Simon J V Miesegaes  
Declan Carr  
John Stevens  
Antony J Black

### **Auditors**

The auditors, Cheesmans, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

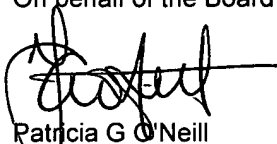
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board



Patricia G O'Neill  
**Chief Executive Officer**  
5 June 2015

# **GPX ENGINEERING LTD**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF GPX ENGINEERING LTD**

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We have audited the financial statements of GPX Engineering Ltd for the year ended 31 March 2015 set out on pages 5 to 11. 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 auditors' 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 31 March 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **GPX ENGINEERING LTD**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

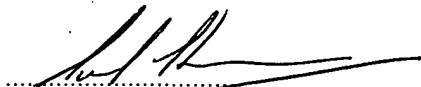
### **TO THE MEMBERS OF GPX ENGINEERING LTD**

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#### **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.



**Carol A Cheesman (Senior Statutory Auditor)**  
for and on behalf of Cheesmans

5 June 2015

**Chartered Accountants**  
**Statutory Auditor**

4 Aztec Row  
Berners Road  
London  
N1 0PW

# GPX ENGINEERING LTD

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2015

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	Notes	2015 £	2014 £
Turnover	1.3	10,009,591	8,823,207
Cost of sales		(8,673,689)	(7,100,157)
Gross profit		1,335,902	1,723,050
Administrative expenses		(314,215)	(277,098)
Operating profit	2	1,021,687	1,445,952
Other interest receivable and similar income	3	69	-
Profit on ordinary activities before taxation		1,021,756	1,445,952
Tax on profit on ordinary activities	5	(215,083)	(315,600)
Profit for the year	10	806,673	1,130,352

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The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those passing through the profit and loss account.



# GPX ENGINEERING LTD

## BALANCE SHEET

AS AT 31 MARCH 2015

	Notes	2015 £	£	2014 £	£
<b>Fixed assets</b>					
Tangible assets	6		6,907		3,480
<b>Current assets</b>					
Debtors	7	2,840,939		2,131,540	
Cash at bank and in hand		352,116		299,724	
		<u>3,193,055</u>		<u>2,431,264</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(938,715)</u>		<u>(629,051)</u>	
<b>Net current assets</b>			<u>2,254,340</u>		<u>1,802,213</u>
<b>Total assets less current liabilities</b>			<u><u>2,261,247</u></u>		<u><u>1,805,693</u></u>
<b>Capital and reserves</b>					
Called up share capital	9		100		100
Profit and loss account	10		<u>2,261,147</u>		<u>1,805,593</u>
<b>Shareholders' funds</b>	11		<u><u>2,261,247</u></u>		<u><u>1,805,693</u></u>

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

Approved by the Board and authorised for issue on 5 June 2015



Antony J Black  
Chief Financial Officer

Company Registration No. 04590648

# GPX ENGINEERING LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2015

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#### 1 Accounting policies

##### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements are drawn up to within one week of 31 March in each year (2015: (52 weeks) 29 March; 2014: (52 weeks) 30 March).

##### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

##### 1.3 Turnover

Turnover represents the total value, excluding value added tax, of work completed in the year and of work in progress where the outcome of the contract can be assessed with reasonable certainty and the related proportionate costs have been taken into account.

##### 1.4 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 less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	2 years
Computer equipment	5 years
Fixtures, fittings & equipment	5 years

##### 1.5 Taxation

Deferred taxation is provided on all timing differences between certain items for taxation and accounting purposes, only to the extent that in the opinion of the directors there is a reasonable possibility that a liability or asset will crystallise in the foreseeable future.

Where group relief is claimed, the claimant company pays to the surrendering company an amount equal to the corporation tax saved.

#### 2 Operating profit

	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	9,148	8,181
Operating lease rentals	143,187	100,566
	<u>          </u>	<u>          </u>

The company utilises common facilities with other group undertakings for which management charges are rendered by the ultimate parent undertaking. Included within those charges are amounts for staff and administrative costs together with audit fees of £6,000 (2014: £6,000) and fees of £1,200 (2014: £1,200) for taxation services.

None of the directors received any remuneration for their services direct from the company.

# GPX ENGINEERING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

<b>3</b>	<b>Investment income</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Bank interest	69	-
		<u>69</u>	<u>-</u>
		<u><u>69</u></u>	<u><u>-</u></u>
<b>4</b>	<b>Dividends</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Interim dividend paid on A and B Ordinary shares on 22 May 2014 (2014 : 31 May 2013)	351,119	22,034
		<u>351,119</u>	<u>22,034</u>
<b>5</b>	<b>Taxation</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	215,150	315,600
	Adjustment for prior years	(67)	-
		<u>215,083</u>	<u>315,600</u>
	<b>Total current tax</b>	<u><u>215,083</u></u>	<u><u>315,600</u></u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	1,021,756	1,445,952
		<u>1,021,756</u>	<u>1,445,952</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 23.00%)	214,569	332,569
		<u>214,569</u>	<u>332,569</u>
	Effects of:		
	Non deductible expenses	2,203	3,749
	Depreciation	1,921	1,882
	Capital allowances	(3,584)	(1,260)
	Prior year adjustment	(67)	-
	Timing differences	-	(21,407)
	Other tax adjustments	41	67
		<u>514</u>	<u>(16,969)</u>
	<b>Current tax charge for the year</b>	<u><u>215,083</u></u>	<u><u>315,600</u></u>

# GPX ENGINEERING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

### 6 Tangible fixed assets

	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2014	101,075
Additions	12,575
At 31 March 2015	113,650
<b>Depreciation</b>	
At 1 April 2014	97,595
Charge for the year	9,148
At 31 March 2015	106,743
<b>Net book value</b>	
At 31 March 2015	6,907
At 31 March 2014	3,480

### 7 Debtors

	2015 £	2014 £
Trade debtors	1,821,671	1,136,505
Amounts owed by parent and fellow subsidiary undertakings	-	403,678
Accrued income	1,013,706	589,024
Other debtors	5,562	2,333
	2,840,939	2,131,540

### 8 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	1,650	20,880
Amounts owed to parent and fellow subsidiary undertakings	540,258	-
Taxation and social security	-	315,600
Other creditors	396,807	292,571
	938,715	629,051

# GPX ENGINEERING LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

9	Share capital	2015 £	2014 £
	<b>Allotted, called up and fully paid</b>		
	20 A Ordinary shares of £1 each	20	20
	80 B Ordinary shares of £1 each	80	80
		<u>100</u>	<u>100</u>

### 10 Statement of movements on profit and loss account

#### Profit and loss account

£

Balance at 1 April 2014	1,805,593
Profit for the year	806,673
Dividends paid (see note 4)	(351,119)
Balance at 31 March 2015	<u>2,261,147</u>

### 11 Reconciliation of movements in shareholders' funds

2015  
£

2014  
£

Profit for the financial year	806,673	1,130,352
Dividends (see note 4)	(351,119)	(22,034)
Net addition to shareholders' funds	<u>455,554</u>	<u>1,108,318</u>
Opening shareholders' funds	1,805,693	697,375
Closing shareholders' funds	<u>2,261,247</u>	<u>1,805,693</u>

### 12 Contingent liabilities

There is a cross guarantee/debenture facility between the companies of the CCS Group Plc group under the terms of which amounts due to Barclays Bank PLC are secured by a fixed and floating charge on the assets of all group companies.

There is also a composite accounting system overdraft facility between the companies of the CCS Group Plc group and Barclays Bank PLC whereby amounts due to and from Barclays Bank PLC can be offset, both in terms of capital and interest calculation. At 31 March 2015 the maximum amounts that could be called under the arrangement totalled nil (2014: £299,724).

# **GPX ENGINEERING LTD**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2015**

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### **13 Control**

The company is a wholly owned subsidiary undertaking of CCS Group Plc, a company registered in England and Wales, in which the results of the company are consolidated. Copies of these consolidated financial statements can be obtained from the Registrar of Companies, Companies House, Maindy, Cardiff CF4 3UZ.

The ultimate controlling parties are Michael P S Horgan, Damian F Tiernan and Simon J V Miesegaes the directors of CCS Group Plc by virtue of their shareholdings in that company.

### **14 Related party relationships and transactions**

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year GPX Rail Ltd, a company in which John Stevens and Declan Carr are directors and shareholders, made sales of nil (2014: £1,800) to the company. There were no amounts outstanding at the year end (2014: nil).