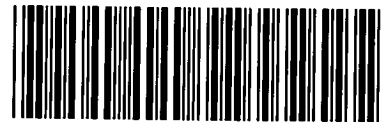


Newtecnic Limited
Annual Report and Financial Statements
Registered Number 05549311
For the year ended 31 December 2016

SATURDAY



S6JWXA74

SCT

25/11/2017

#229

COMPANIES HOUSE

Contents

Company Information	1
Balance Sheet	2
Statement of Changes in Equity	3
Notes	4

Company Information

Directors

Y Watts
A Watts

Registered Office

12a Perseverance Works
38 Kingsland Road
London

Registered Number

05549311

Accountants

KPMG LLP
15 Canada Square
London
E14 5GL

Balance Sheet
At 31 December 2016

	Note	2016 £	£	Restated 2015 £	£
Fixed assets					
Tangible assets	4		81,153		87,081
			<u>81,153</u>		<u>87,081</u>
Current assets					
Debtors	5	448,486		542,959	
Cash at bank and in hand		96,581		101,782	
		<u>545,067</u>		<u>644,741</u>	
Creditors : amounts falling due within one year	6	<u>(185,848)</u>		<u>(206,541)</u>	
Net current assets			<u>359,219</u>		<u>438,200</u>
Total assets less current liabilities			<u>440,372</u>		<u>525,281</u>
Net assets			<u>440,372</u>		<u>525,281</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account			<u>440,272</u>		<u>525,181</u>
Shareholders' funds			<u>440,372</u>		<u>525,281</u>

For the year ending 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. In accordance with the special provisions applicable to companies subject to the small companies regime as permitted by section 444(5) of the Companies Act 2006, the entity profit and loss account and directors' report is not included as part of these filed financial statements.

These financial statements were approved by the board of directors on 23/11/2017 and were signed on its behalf by:



Y Watts- Director
Company Registration No: 05549311

The notes on pages 4 to 10 form part of these financial statements.

Statement of Changes in Equity

	Called up share capital (note 9) £	Profit and loss account £	Total £
Balance at 1 January 2015	100	627,576	627,676
Comprehensive income for the year			
Profit for the year	-	63,275	63,275
Total comprehensive income for the year	-	63,275	63,275
Transactions with owners, recorded directly in equity			
Dividends	-	(165,670)	(165,670)
Total contributions by and distributions to owners	-	(165,670)	(165,670)
Balance at 31 December 2015	100	525,181	525,281

	Called up share capital (note 9) £	Profit and loss account £	Total £
Balance at 1 January 2016	100	525,181	525,281
Comprehensive income for the year			
Profit for the year	-	118,545	118,545
Total comprehensive income for the year	-	118,545	118,545
Transactions with owners, recorded directly in equity			
Dividends	-	(203,455)	(203,455)
Total contributions by and distributions to owners	-	(203,455)	(203,455)
Balance at 31 December 2016	100	440,272	440,372

The notes on pages 4 to 10 form part of these financial statements.

Notes

(Forming part of the financial statements)

1 Accounting policies

Newtecnic Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 05549311 and the registered office is 12a Perseverance Works, 38 Kingsland Road, London, E2 8DD.

These financial statements were prepared in accordance with Section 1A of the Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

These financial statements for the period ended 31 December 2016 are the first financial statements of Newtecnic Limited prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 January 2015. In the transition to FRS102 from old UK GAAP, the company has made no measurement and recognition adjustments.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. The directors are of the opinion that due to the nature of the business, there are no critical accounting estimates or judgments used in the preparation of these financial statements.

A prior year balance sheet account has been restated to reclassify an amount of £130,956 previously included within 'Creditors: amounts falling due after more than one year' to 'Creditors: amounts falling due within one year' as the amount was repayable on demand.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 *Measurement convention*

The financial statements are prepared on the historical cost basis.

1.2 *Going concern*

The company's financial statements have been prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In assessing going concern, the directors have a reasonable expectation that the company will continue as a going concern and is able to meet all of its obligations as they fall due for a minimum of 12 months from the date of approval of these financial statements.

1.3 *Foreign currency*

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes (Continued)

1 Accounting policies (continued)

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- Plant and machinery 5 years
- Motor vehicles 4 years

Notes (Continued)

1 Accounting policies (continued)

1.6 Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

1.9 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Notes *(Continued)*

1 Accounting policies *(continued)*

1.10 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.11 Turnover

Turnover represents amounts receivable for services net of VAT. The total turnover of the company for the year has been derived from its principal activities. Revenue is recognised on completion of stages of the building project.

1.12 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of comprehensive income over the term of the lease as an integral part of the total lease expense.

Interest receivable and interest payable

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method.

1.13 Taxation

Tax on the profit or loss 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 directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided on timing differences which arise 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 not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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.

Notes (Continued)

2 Staff numbers

The average number of persons employed by the company (including directors) during the year was 10 (2015: 8).

3 Taxation

Total tax recognised in the profit and loss account

	2016 £	2015 £
<i>Current tax</i>		
Current tax on income for the year	34,708	-
Adjustment in respect of prior year - R&D credit	-	(34,003)
Total current tax	<u>34,708</u>	<u>(34,003)</u>

4 Tangible fixed assets

	Computer equipment £	Fixtures & fittings £	Total £
Cost			
At 1 January 2016	6,536	167,072	173,608
Additions	1,024	13,337	14,361
At 31 December 2016	<u>7,560</u>	<u>180,409</u>	<u>187,969</u>
Depreciation			
At 1 January 2016	4,521	82,006	86,527
Charge for the year	608	19,681	20,289
At 31 December 2016	<u>5,129</u>	<u>101,687</u>	<u>106,816</u>
Net Book Value			
At 31 December 2016	<u>2,431</u>	<u>78,722</u>	<u>81,153</u>
Net Book Value			
At 31 December 2015	<u>2,015</u>	<u>85,066</u>	<u>87,081</u>

Notes (Continued)

5 Debtors

	2016 £	2015 £
Trade debtors	409,250	482,284
Other debtors	39,236	60,675
	<u>448,486</u>	<u>542,959</u>

6 Creditors: amounts falling due within one year

	2016 £	Restated 2015 £
Taxation and social security	63,559	67,111
Corporation tax liability	34,708	-
Other creditors	87,581	144,707
	<u>185,848</u>	<u>206,541</u>

7 Employee benefits

Defined contribution plans

The company operates a number of defined contribution plans.

The total expense relating to these plans in the current year was £3,452 (2015: £nil).

8 Operating leases

Non-cancellable operating leases are payable as follows:

	2016 £	2015 £
Between one and five years	238,920	79,640
	<u>238,920</u>	<u>79,640</u>

Notes (Continued)

9 Called up share capital

Allotted, issued and fully paid:

	2016 £	2015 £
100 Ordinary shares at £1.00 each (2015: 100)	100	100
	<u>100</u>	<u>100</u>

10 Related party transactions

During the year ended 31 December 2016, the Company received loans from A Watts and Y Watts of £165,480 (2015: £130,956) and repaid £184,106. A Watts and Y Watts are directors of the company. During the year to 31 December 2016 the company paid expenses of £24,749 on behalf of the directors. As at 31 December 2016, the Company owed £87,581 (2015: £130,956) to A Watts and Y Watts. The loan is repayable on demand and no interest will be charged on this loan.