

Company Registration No. 6088612 (England and Wales)

**WHT HOLDINGS LIMITED**  
**ANNUAL REPORT AND ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**  
**PAGES FOR FILING WITH REGISTRAR**

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# WHT HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	R P Carpenter H A Wallwork S J Wallwork
<b>Secretary</b>	C Chettoe
<b>Company number</b>	6088612
<b>Registered office</b>	Wallwork Offices 69 Hacking Street Bury BL9 0RG
<b>Auditor</b>	AJP Corporate Accountants Ltd. Unit 9, Brenton Business Complex Bury Lancs. BL9 7BE
<b>Business address</b>	Wallwork Offices 69 Hacking Street Bury BL9 0RG

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# **WHT HOLDINGS LIMITED**

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# WHT HOLDINGS LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2016**

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The directors present the strategic report for the year ended 31 March 2016.

### **Fair review of the business**

The year ending 31 March 2016 saw a continued slowdown in the manufacturing industry in the UK. This was reflected in reduced turnover in most areas of the business with the exception of aerospace which remained stable. The oil and gas exploration area of the market slumped significantly owing to the low selling price of the product. Planned investments to increase capability continued during the year despite the poor trading which resulted in significantly reduced profit, although staff numbers were controlled to reflect the market conditions.

### **Principal risks and uncertainties**

The directors believe that there is a low level of risk and uncertainty associated with the business, it operates in a stable, mature market mainly within the UK and the directors have always adopted conservative policies.

Risks that have been identified are as follows:

Continued contraction of UK manufacturing industry

Effect on UK manufacturing and R & D funding of the UK vote to leave the EU

Uncertainty of energy price and availability owing to lack of gas storage and poor Government management of the industry.

Alteration to regulation or legislation such as environmental or health and safety that may add unexpected costs

### **Development and performance**

The results for the year and the financial position at the year end were considered satisfactory by the directors under the difficult trading conditions.

### **Key performance indicators**

Sales for the group fell 6% over the year and margins eroded so that gross profit was down by 18%. Overheads were pushed up by pension costs so that operating profit reduced by 86%. Nevertheless, the financial position of the group remains strong, with net current assets in excess of £6m.

On behalf of the board

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R P Carpenter

Director

7 September 2016

# **WHT HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 MARCH 2016***

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The directors present their annual report and financial statements for the year ended 31 March 2016.

### **Principal activities**

The principal activity of the group continued to be that of the heat treatment of metals and surface engineering.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R P Carpenter  
H A Wallwork  
S J Wallwork

### **Results and dividends**

The results for the year are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### **Research and development**

We engage in world class research for the development of processes in house as well as external projects with academic and multinational commercial partners. Significant opportunities exist to develop coatings for 'green' applications in the aerospace and medical markets as well as innovative technical solutions for improving additive manufactured components.

### **Future developments**

The current investment program will slow down during 2016, it will have increased the capability of the company and opened markets for new processes which should have a positive effect on profit. Future investments are under review until there is more certainty and growth in the market.

Continued replacement of 'in house' heat treatment with our outsourced service. The 'green agenda' continues to provide opportunities for the application of our coatings and treatments for fuel saving and material preservation.

### **Auditor**

The auditor, AJP Corporate Accountants Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

# WHT HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2016**

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### Statement of directors' responsibilities

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

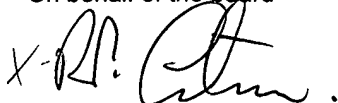
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually 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 auditor of the company and group is aware of that information.

On behalf of the board



R P Carpenter

**Director**

7 September 2016

# **WHT HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO WHT HOLDINGS LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages 532, together with the financial statements of WHT Holdings Limited for the year ended 31 March 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445 (3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



**Andrew Pearce FCA (Senior Statutory Auditor)**  
for and on behalf of AJP Corporate Accountants Ltd.

7 September 2016

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

# WHT HOLDINGS LIMITED

## ABBREVIATED GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

		2016	2015
	Notes	£	£
Turnover	3	17,376,360	18,595,439
Other operating income and cost of sales		(10,670,422)	(10,394,235)
Distribution costs		(1,656,147)	(1,704,620)
Administrative expenses		(4,752,422)	(4,305,210)
<b>Operating profit</b>	<b>4</b>	<b>297,369</b>	<b>2,191,374</b>
Interest receivable and similar income	8	47,846	52,445
Interest payable and similar charges	9	-	(4)
<b>Profit before taxation</b>		<b>345,215</b>	<b>2,243,815</b>
Taxation	10	2,805	(421,062)
<b>Profit for the financial year</b>		<b>348,020</b>	<b>1,822,753</b>

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



# WHT HOLDINGS LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2016

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	2016 £	2015 £
Profit for the year	348,020	1,822,753
Other comprehensive income	-	-
Total comprehensive income for the year	<u>348,020</u>	<u>1,822,753</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# WHT HOLDINGS LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Goodwill	11		1		1
Other intangible assets	11		37,035		50,896
Total intangible assets			37,036		50,897
Tangible assets	12		10,270,036		8,959,279
			10,307,072		9,010,176
<b>Current assets</b>					
Stocks	16	316,809		330,726	
Debtors	17	4,718,907		5,396,694	
Cash at bank and in hand		2,836,480		4,395,932	
		7,872,196		10,123,352	
<b>Creditors: amounts falling due within one year</b>	18				
		(1,772,142)		(3,079,188)	
<b>Net current assets</b>			6,100,054		7,044,164
<b>Total assets less current liabilities</b>			16,407,126		16,054,340
<b>Provisions for liabilities</b>	19		(647,765)		(642,999)
<b>Net assets</b>			15,759,361		15,411,341
<b>Capital and reserves</b>					
Called up share capital	21		2,183		2,183
Capital redemption reserve			528		528
Profit and loss reserves			15,756,650		15,408,630
<b>Total equity</b>			15,759,361		15,411,341

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 7 September 2016 and are signed on its behalf by:

x 

R P Carpenter  
Director

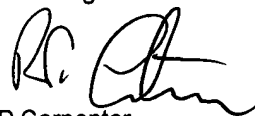
# WHT HOLDINGS LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Intangible assets	11	2,012,086		2,117,982	
Tangible assets	12	5,380,804		4,932,640	
Investments	13	3,002,629		3,002,629	
		<u>10,395,519</u>		<u>10,053,251</u>	
<b>Current assets</b>					
Debtors	17	5,452,105		4,535,963	
Cash at bank and in hand		1,840,508		2,356,489	
		<u>7,292,613</u>		<u>6,892,452</u>	
<b>Creditors: amounts falling due within one year</b>	18	(2,350)		(137,894)	
<b>Net current assets</b>		<u>7,290,263</u>		<u>6,754,558</u>	
<b>Total assets less current liabilities</b>		<u>17,685,782</u>		<u>16,807,809</u>	
<b>Provisions for liabilities</b>	19	(405,320)		(405,320)	
<b>Net assets</b>		<u>17,280,462</u>		<u>16,402,489</u>	
<b>Capital and reserves</b>					
Called up share capital	21	2,183		2,183	
Capital redemption reserve		528		528	
Profit and loss reserves		17,277,751		16,399,778	
<b>Total equity</b>		<u>17,280,462</u>		<u>16,402,489</u>	

The financial statements were approved by the board of directors and authorised for issue on 7 September 2016 and are signed on its behalf by:

x   
R P Carpenter  
Director

Company Registration No. 6088612

# WHT HOLDINGS LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2014</b>		2,253	458	13,900,648	13,903,359
<b>Year ended 31 March 2015:</b>					
Profit and total comprehensive income for the year		-	-	1,822,753	1,822,753
Redemption of shares		(70)	70	(314,771)	(314,771)
<b>Balance at 31 March 2015</b>		2,183	528	15,408,630	15,411,341
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	348,020	348,020
<b>Balance at 31 March 2016</b>		2,183	528	15,756,650	15,759,361

# WHT HOLDINGS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2014</b>		2,253	458	15,819,101	15,821,812
<b>Year ended 31 March 2015:</b>					
Profit and total comprehensive income for the year		-	-	895,448	895,448
Redemption of shares		(70)	70	(314,771)	(314,771)
<b>Balance at 31 March 2015</b>		2,183	528	16,399,778	16,402,489
<b>Year ended 31 March 2016:</b>					
Profit and total comprehensive income for the year		-	-	877,973	877,973
<b>Balance at 31 March 2016</b>		2,183	528	17,277,751	17,280,462

# WHT HOLDINGS LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	1,069,179		2,996,233	
Interest paid		-		(4)	
Income taxes paid		(377,937)		(360,187)	
<b>Net cash inflow from operating activities</b>		<u>691,242</u>		<u>2,636,042</u>	
<b>Investing activities</b>					
Purchase of intangible assets		(8,337)		(10,965)	
Proceeds on disposal of intangibles		56,758		-	
Purchase of tangible fixed assets		(2,371,149)		(771,040)	
Proceeds on disposal of tangible fixed assets		20,188		16,328	
Proceeds from other investments and loans		4,000		(4,000)	
Interest received		47,846		52,445	
<b>Net cash used in investing activities</b>		<u>(2,250,694)</u>		<u>(717,232)</u>	
<b>Financing activities</b>					
Redemption of shares		-		(314,771)	
<b>Net cash used in financing activities</b>		<u>-</u>		<u>(314,771)</u>	
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(1,559,452)</u>		<u>1,604,039</u>	
Cash and cash equivalents at beginning of year		4,395,932		2,791,893	
<b>Cash and cash equivalents at end of year</b>		<u><u>2,836,480</u></u>		<u><u>4,395,932</u></u>	

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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### 1 Accounting policies

#### Company information

WHT Holdings Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Wallwork Offices, 69 Hacking Street, Bury, BL9 0RG.

The group consists of WHT Holdings Limited and all of its subsidiaries.

#### 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.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 March 2016 are the first financial statements of WHT Holdings Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 April 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 26.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £877,973 (2015 - £895,448 profit).

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### 1 Accounting policies

(Continued)

#### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of WHT Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the provision of services or the sale of goods is recognised when the significant risks and rewards of ownership have passed to the buyer (usually on completion of the service or dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of five years.



# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

(Continued)

#### 1.6 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.

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.

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	Equal annual instalments over 7 years
Development Costs	Equal annual instalments over 7 years

#### 1.7 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:

Land and buildings	0-2% p.a. on cost
Plant and machinery	20% p.a. on book value
Fixtures, fittings & equipment	20% p.a. on book value
Computer equipment	20% p.a. on book value
Motor vehicles	20% p.a. on book value

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 recognised in the profit and loss account.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

(Continued)

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.

#### 1.9 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 cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.11 Financial instruments

The group 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.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

(Continued)

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.13 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

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### 1 Accounting policies

(Continued)

#### **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 if, and only if, there is 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.

#### **1.14 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.

#### **1.15 Retirement benefits**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### **1.16 Leases**

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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.

#### **1.17 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.

#### **1.18 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.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

	2016 £	2015 £
Total turnover	17,376,360	18,595,439
<b>Other significant revenue</b>		
Interest income	47,846	52,445
Grants received	45,704	77,078
Rental income arising from investment properties	90,483	89,503

### 4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(3,607)	-
Research and development costs	45,342	38,525
Government grants	(45,704)	(77,078)
Depreciation of owned tangible fixed assets	1,014,971	993,259
Loss on disposal of tangible fixed assets	25,233	7,403
Amortisation of intangible assets	22,198	21,007
Profit on disposal of intangible assets	(56,758)	-
Cost of stocks recognised as an expense	1,460,047	1,321,118
Operating lease charges	118,759	85,536

### 5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	-	-
Audit of the company's subsidiaries	12,000	12,000

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2016 Number	2015 Number
Management	10	10
Administration	43	45
Production	223	211
	<u>276</u>	<u>266</u>

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	7,496,954	7,716,656
Social security costs	721,689	785,568
Pension costs	1,223,375	630,302
	<u>9,442,018</u>	<u>9,132,526</u>

### 7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	<u>315,712</u>	<u>376,248</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>122,458</u>	<u>142,700</u>
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### 8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	<u>47,846</u>	<u>52,445</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>47,846</u>	<u>52,445</u>
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# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 9 Interest payable and similar charges

	2016 £	2015 £
<b>Other finance costs:</b>		
Other interest	-	4
<b>Total finance costs</b>	<u>-</u>	<u>4</u>

### 10 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	398,900
Adjustments in respect of prior periods	(7,571)	-
Group tax relief	-	(16,059)
<b>Total current tax</b>	<u>(7,571)</u>	<u>382,841</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	4,766	38,221
<b>Total tax charge</b>	<u>(2,805)</u>	<u>421,062</u>

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	2016 £	2015 £
Profit before taxation	<u>345,215</u>	<u>2,243,815</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)	69,043	471,201
Tax effect of expenses that are not deductible in determining taxable profit	1,729	1,606
Change in deferred tax provision	4,766	38,221
Permanent capital allowances in excess of depreciation	(33,314)	(30,917)
Research and development tax credit	(45,029)	(58,299)
Tax at marginal rate	-	(750)
<b>Tax expense for the year</b>	<u>(2,805)</u>	<u>421,062</u>



# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 11 Intangible fixed assets

Group	Goodwill	Patents	Development Costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2015	29,350	45,053	102,000	176,403
Additions - separately acquired	-	8,337	-	8,337
At 31 March 2016	29,350	53,390	102,000	184,740
<b>Amortisation and impairment</b>				
At 1 April 2015	29,349	22,501	73,656	125,506
Amortisation charged for the year	-	7,627	14,571	22,198
At 31 March 2016	29,349	30,128	88,227	147,704
<b>Carrying amount</b>				
At 31 March 2016	1	23,262	13,773	37,036
At 31 March 2015	1	22,552	28,344	50,897

### Company

### Development Costs

	£
<b>Cost</b>	
At 1 April 2015 and 31 March 2016	3,190,567
<b>Amortisation and impairment</b>	
At 1 April 2015	1,072,585
Amortisation charged for the year	105,896
At 31 March 2016	1,178,481
<b>Carrying amount</b>	
At 31 March 2016	2,012,086
At 31 March 2015	2,117,982

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 12 Tangible fixed assets

Group	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2015	5,709,988	14,429,946	1,012,242	717,742	994,326	22,864,244
Additions	549,191	1,654,084	96,933	20,755	50,186	2,371,149
Disposals	-	(69,191)	(21,483)	(46,472)	(206,287)	(343,433)
At 31 March 2016	6,259,179	16,014,839	1,087,692	692,025	838,225	24,891,960
<b>Depreciation and impairment</b>						
At 1 April 2015	777,348	11,311,690	605,985	589,692	620,250	13,904,965
Depreciation charged in the year	101,027	717,975	89,838	29,737	76,394	1,014,971
Eliminated in respect of disposals	-	(61,532)	(19,065)	(37,788)	(179,627)	(298,012)
At 31 March 2016	878,375	11,968,133	676,758	581,641	517,017	14,621,924
<b>Carrying amount</b>						
At 31 March 2016	5,380,804	4,046,706	410,934	110,384	321,208	10,270,036
At 31 March 2015	4,932,641	3,118,255	406,258	128,050	374,075	8,959,279

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

Company	Land and buildings
	£
<b>Cost</b>	
At 1 April 2015	5,709,988
Additions	549,191
At 31 March 2016	6,259,179
<b>Depreciation and impairment</b>	
At 1 April 2015	777,348
Depreciation charged in the year	101,027
At 31 March 2016	878,375
<b>Carrying amount</b>	
At 31 March 2016	5,380,804
At 31 March 2015	4,932,640

### 13 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	14	-	-	3,002,629	3,002,629

### 14 Subsidiaries

Details of the company's subsidiaries at 31 March 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
Wallwork Heat Treatment Limited England	Heat treatment of metals	Ordinary shares	100.00
Wallwork Heat Treatment (Birmingham) Ltd England	Heat treatment of metals	Ordinary shares	100.00
Wallwork Cambridge Limited England	Surface engineering	Ordinary shares	100.00

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 15 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,483,015	4,156,862	5,314,085	4,535,863
Equity instruments measured at cost less impairment	-	-	3,002,629	3,002,629
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	1,282,146	2,067,207	2,350	924

### 16 Stocks

	Group 2016 £	2015 £	Company 2016 £	2015 £
Raw materials and consumables	316,809	330,726	-	-

### 17 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
<b>Amounts falling due within one year:</b>				
Trade debtors	3,472,317	4,131,753	-	-
Corporation tax recoverable	142,666	-	135,095	-
Amounts due from subsidiary undertakings	-	-	5,314,085	4,535,863
Other debtors	18,146	25,209	2,925	100
Prepayments and accrued income	1,085,778	1,239,732	-	-
	4,718,907	5,396,694	5,452,105	4,535,963

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

	Group 2016 £	2015 £	Company 2016 £	2015 £
Trade creditors	994,460	1,186,124	-	-
Corporation tax payable	-	242,841	-	136,970
Other taxation and social security	489,996	769,140	-	-
Accruals and deferred income	287,686	881,083	2,350	924
	1,772,142	3,079,188	2,350	137,894

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 19 Deferred taxation

	Liabilities 2016 £	Liabilities 2015 £
<b>Group</b>		
Accelerated capital allowances	242,445	237,679
Revaluations	405,320	405,320
	<u>647,765</u>	<u>642,999</u>
	Liabilities 2016 £	Liabilities 2015 £
<b>Company</b>		
Revaluations	<u>405,320</u>	<u>405,320</u>
	Group 2016 £	Company 2016 £
<b>Movements in the year:</b>		
Liability at 1 April 2015	642,999	405,320
Charge to profit or loss	31,704	-
Effect of change in tax rate - profit or loss	(26,938)	-
	<u>647,765</u>	<u>405,320</u>

### 20 Retirement benefit schemes

	2016 £	2015 £
<b>Defined contribution schemes</b>		
Charge to profit and loss in respect of defined contribution schemes	<u>1,223,375</u>	<u>630,302</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 21 Share capital

	Group and company	
	2016	2015
	£	£
<b>Ordinary share capital</b>		
<b>Authorised</b>		
2,629 Ordinary shares of £1 each	2,629	2,629
	<u>          </u>	<u>          </u>
<b>Issued and fully paid</b>		
2,183 Ordinary shares of £1 each	2,183	2,183
	<u>          </u>	<u>          </u>

### 22 Operating lease commitments

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

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Within one year	130,670	92,757	-	-
Between two and five years	266,458	124,605	-	-
In over five years	20,000	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	417,128	217,362	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 23 Capital commitments

At 31 March 2016 the group had capital commitments as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Contracted for but not provided in the financial statements:				
Acquisition of property, plant and equipment	289,925	189,610	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 24 Controlling party

The ultimate controlling party are trusts for the benefit of the Wallwork family and the working directors.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 25 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	348,020	1,822,753
Adjustments for:		
Taxation (credited)/charged	(2,805)	421,062
Finance costs	-	4
Investment income	(47,846)	(52,445)
Loss on disposal of tangible fixed assets	25,233	7,403
Gain on disposal of intangible assets	(56,758)	-
Amortisation and impairment of intangible assets	22,198	21,007
Depreciation and impairment of tangible fixed assets	1,014,971	993,259
Movements in working capital:		
Decrease in stocks	13,917	25,991
Decrease/(increase) in debtors	823,802	(425,159)
(Decrease)/increase in creditors	(1,071,553)	182,358
<b>Cash generated from operations</b>	<b>1,069,179</b>	<b>2,996,233</b>

### 26 Reconciliations on adoption of FRS 102

#### Reconciliation of equity - group

	Notes	At 1 April 2014			At 31 March 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
<b>Fixed assets</b>							
Goodwill		1	-	1	1	-	1
Other intangibles		60,938	-	60,938	50,896	-	50,896
Tangible assets	1	6,953,448	2,251,781	9,205,229	6,707,498	2,251,781	8,959,279
		<u>7,014,387</u>	<u>2,251,781</u>	<u>9,266,168</u>	<u>6,758,395</u>	<u>2,251,781</u>	<u>9,010,176</u>
<b>Current assets</b>							
Stocks		356,717	-	356,717	330,726	-	330,726
Debtors		4,967,435	-	4,967,435	5,396,594	-	5,396,594
Bank and cash		2,791,893	-	2,791,893	4,395,932	-	4,395,932
		<u>8,116,045</u>	<u>-</u>	<u>8,116,045</u>	<u>10,123,252</u>	<u>-</u>	<u>10,123,252</u>

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 26 Reconciliations on adoption of FRS 102

(Continued)

Notes	At 1 April 2014			At 31 March 2015		
	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
<b>Creditors due within one year</b>						
Taxation	(963,877)	-	(963,877)	(1,011,881)	-	(1,011,881)
Other creditors	(1,910,199)	-	(1,910,199)	(2,067,207)	-	(2,067,207)
	(2,874,076)	-	(2,874,076)	(3,079,088)	-	(3,079,088)
Net current assets	5,241,969	-	5,241,969	7,044,164	-	7,044,164
Total assets less current liabilities	12,256,356	2,251,781	14,508,137	13,802,559	2,251,781	16,054,340
<b>Provisions for liabilities</b>						
Deferred tax	2 (199,458)	(405,320)	(604,778)	(237,679)	(405,320)	(642,999)
Net assets	12,056,898	1,846,461	13,903,359	13,564,880	1,846,461	15,411,341
<b>Capital and reserves</b>						
Share capital	2,253	-	2,253	2,183	-	2,183
Capital redemption	458	-	458	528	-	528
Profit and loss	12,054,187	1,846,461	13,900,648	13,562,169	1,846,461	15,408,630
Total equity	12,056,898	1,846,461	13,903,359	13,564,880	1,846,461	15,411,341



# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 26 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of profit or loss for the year - group

	Notes	Year ended 31 March 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover		18,595,439	-	18,595,439
Cost of sales		(10,560,816)	-	(10,560,816)
Gross profit		8,034,623	-	8,034,623
Distribution costs		(1,704,620)	-	(1,704,620)
Administrative expenses		(4,305,210)	-	(4,305,210)
Other operating income		166,581	-	166,581
Operating profit		2,191,374	-	2,191,374
Interest receivable and similar income		52,445	-	52,445
Interest payable and similar charges		(4)	-	(4)
Profit before taxation		2,243,815	-	2,243,815
Taxation		(421,062)	-	(421,062)
Profit for the financial period		1,822,753	-	1,822,753

#### Notes to reconciliations on adoption of FRS 102 - group

##### 1. Using a previous revaluation as deemed cost

The group has applied the provisions of FRS 102 paragraph 35.10 (d) to treat a previous UK GAAP revaluation of land and buildings as deemed cost. This has increased the carrying value of land and buildings in the group balance sheet and increased Profit and Loss reserves.

##### 2. Deferred tax on property revaluation

Prior to applying FRS 102 the group did not provide for deferred tax on property where no sale was expected. FRS 102 requires the provision of deferred tax on all property revaluations regardless of expectation of sale. Consequently, the company has now provided in full for deferred tax on property revaluations at 18%.

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 26 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of equity - company

	Notes	At 1 April 2014			At 31 March 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
<b>Fixed assets</b>							
Other intangibles		2,229,454	-	2,229,454	2,117,982	-	2,117,982
Tangible assets		5,001,331	-	5,001,331	4,932,640	-	4,932,640
Investments		3,002,629	-	3,002,629	3,002,629	-	3,002,629
		<u>10,233,414</u>	<u>-</u>	<u>10,233,414</u>	<u>10,053,251</u>	<u>-</u>	<u>10,053,251</u>
<b>Current assets</b>							
Debtors		4,644,667	-	4,644,667	4,535,863	-	4,535,863
Bank and cash		1,482,343	-	1,482,343	2,356,489	-	2,356,489
		<u>6,127,010</u>	<u>-</u>	<u>6,127,010</u>	<u>6,892,352</u>	<u>-</u>	<u>6,892,352</u>
<b>Creditors due within one year</b>							
Taxation		(133,292)	-	(133,292)	(136,870)	-	(136,870)
Other creditors		-	-	-	(924)	-	(924)
		<u>(133,292)</u>	<u>-</u>	<u>(133,292)</u>	<u>(137,794)</u>	<u>-</u>	<u>(137,794)</u>
Net current assets		<u>5,993,718</u>	<u>-</u>	<u>5,993,718</u>	<u>6,754,558</u>	<u>-</u>	<u>6,754,558</u>
Total assets less current liabilities		<u>16,227,132</u>	<u>-</u>	<u>16,227,132</u>	<u>16,807,809</u>	<u>-</u>	<u>16,807,809</u>
<b>Provisions for liabilities</b>							
Deferred tax	1	-	(405,320)	(405,320)	-	(405,320)	(405,320)
Net assets		<u>16,227,132</u>	<u>(405,320)</u>	<u>15,821,812</u>	<u>16,807,809</u>	<u>(405,320)</u>	<u>16,402,489</u>
<b>Capital and reserves</b>							
Share capital		2,253	-	2,253	2,183	-	2,183
Capital redemption		458	-	458	528	-	528
Profit and loss		16,224,421	(405,320)	15,819,101	16,805,098	(405,320)	16,399,778
Total equity		<u>16,227,132</u>	<u>(405,320)</u>	<u>15,821,812</u>	<u>16,807,809</u>	<u>(405,320)</u>	<u>16,402,489</u>

# WHT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 26 Reconciliations on adoption of FRS 102

(Continued)

#### Reconciliation of profit or loss for the year - company

	Notes	Year ended 31 March 2015		
		Previous UK GAAP £	Effect of transition £	FRS 102 £
Turnover		1,386,960	-	1,386,960
Cost of sales		963	-	963
Gross profit		1,387,923	-	1,387,923
Administrative expenses		(234,772)	-	(234,772)
Interest receivable and similar income		35,330	-	35,330
Interest payable and similar charges		(4)	-	(4)
Profit before taxation		1,188,477	-	1,188,477
Taxation		(293,029)	-	(293,029)
Profit for the financial period		895,448	-	895,448

#### Notes to reconciliations on adoption of FRS 102 - company

##### 1. Deferred tax on property gain

Prior to applying FRS 102 the company did not provide for deferred tax on property where no sale was expected. FRS 102 requires the provision of deferred tax on all property gains regardless of expectation of sale. Consequently, the company has now provided in full for deferred tax on property gains at 18%.