

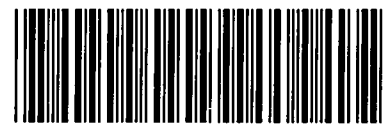
Registration number NI038846

Aidan Strain Electrical Engineering Ltd

Audited abbreviated accounts

for the year ended 29 February 2016

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Aidan Strain Electrical Engineering Ltd

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Aidan Strain Electrical Engineering Ltd

Strategic report **for the year ended 29 February 2016**

Introduction

The directors are pleased to present their Strategic Report for the Year Ended 29 February 2016.

Principal Activities and Business Review

The principal activity of the company remains the undertaking of specialist engineering and electrical engineering contracts. Geographically the company currently has significant contracts in the UK, Holland Belgium and Finland.

Profitability on all contracts remains good. Overall the company maintained its level of operating profit in 2016 although a drop had been previously forecast.

The directors are confident that that the company as substantial and profitable work in the pipeline sufficient to allow it to continue to trade at current levels for the foreseeable future.

Key Performance Indicators

As part of the management of the company the directors constantly monitor the Key Performance Indicators. These include overall gross profit, profitability on individual contracts, staff numbers, tenders in progress and availability of cash resources.

| | 2016 | 2015 |
|-----------|-------------|-------------|
| Turnover | 18,450,368 | 21,467,688 |
| GP Margin | 36% | 35% |

Principal Risks and Uncertainties

The directors have identified the following areas of risk and uncertainty:

Quality Risk

The company operates in a very competitive environment however the main driver in obtaining new work is quality performance on existing contracts. The directors therefore ensure that all employees are properly trained and adequately supervised.

Exchange Risk

The company's revenues are in both Euro and Sterling. The company seeks to mitigate the exchange risk by matching, where possible, the income and expenditure in each currency.

Credit Risk

Credit Risk is managed through regular stage payments on contracts and by obtaining written variation orders from the client when alterations are made to plan. Similarly where disputes do arise company policy is to deal with these promptly and efficiently.

Health and Safety Risk

The company is committed to ensuring a safe working environment. The company promotes a strong culture of adherence to its Health and Safety Policies.

Aidan Strain Electrical Engineering Ltd

Strategic report
for the year ended 29 February 2016

..... continued

Environmental Risk

The company is conscious of the environment and the impact we have on it. We strive to achieve industry best practices and compliance with all applicable environmental legislation in all aspects of our operations

This report was approved by the Board and authorised for issue on 6 June 2016 and signed on its behalf by



Aidan Strain
Director

Aidan Strain Electrical Engineering Ltd

Directors' report **for the year ended 29 February 2016**

The directors present their report and the accounts for the year ended 29 February 2016.

Principal activity

The principal activity of the company is to carry on the business of electrical contractors.

Results and dividends

The results for the year are set out on page 6.

The directors recommend payment of a final dividend amounting to £815,000.

Directors

The directors who served during the year are as stated below:

Aidan Strain
Leontia Strain

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

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

Aidan Strain Electrical Engineering Ltd

Directors' report
for the year ended 29 February 2016

..... continued

ASM (N) Limited are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

Strategic Report

In accordance with section 414C(11) of the Companies Act 2006

(Strategic Report and Directors' Report) Regulations 2013, the company has chosen to report details of the company's financial risk, management objectives and policies and information on its future developments in the company's strategic report.

This report was approved by the Board and authorised for issue on 6 June 2016 and signed on its behalf by

A handwritten signature in black ink, appearing to be 'Aidan Strain', written over a horizontal line.

Aidan Strain
Secretary

Independent auditors' report to Aidan Strain Electrical Engineering Ltd
under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages 6 to 21 together with the financial statements of Aidan Strain Electrical Engineering Ltd for the year ended 29 February 2016 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

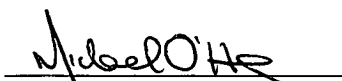
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated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

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 that provision.



Michael O'Hare, FCA (senior statutory auditor)
For and on behalf of ASM (N) Limited
Chartered Accountants and Registered Auditors

Date: 6 June 2016

'Wyncroft'
30 Rathfriland Road
Newry
Co. Down
BT34 1JZ

Aidan Strain Electrical Engineering Ltd

Abbreviated profit and loss account
for the year ended 29 February 2016

| | | 2016 | 2015 |
|---|----------|-------------|-------------|
| | Notes | £ | £ |
| Turnover | | 18,835,838 | 21,663,111 |
| Gross profit | | 6,725,465 | 7,633,100 |
| Administrative expenses | | (1,195,914) | (2,233,799) |
| Operating profit | 3 | 5,529,551 | 5,399,301 |
| Other interest receivable and similar income | 6 | 12 | - |
| Interest payable and similar charges | 7 | (13,646) | (6,663) |
| Profit on ordinary activities before taxation | | 5,515,917 | 5,392,638 |
| Tax on profit on ordinary activities | 9 | (1,277,457) | (1,076,359) |
| Profit for the financial year and total comprehensive income | | 4,238,460 | 4,316,279 |
| Retained earnings at the start of the year | | 7,730,957 | 3,896,273 |
| Dividends | 10 | (815,000) | (481,594) |
| Retained earnings at the end of the year | | 11,154,417 | 7,730,958 |

The activities of the company are from continuing operations

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 9 to 21 form an integral part of these financial statements.

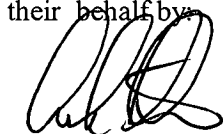
Aidan Strain Electrical Engineering Ltd

Abbreviated balance sheet
as at 29 February 2016

| | | 2016 | | 2015 | |
|--|--------------|--------------------|--------------------|--------------------|------------------|
| | Notes | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 11 | | 282,758 | | 424,138 |
| Tangible assets | 12 | | 647,529 | | 242,826 |
| | | | <u>930,287</u> | | <u>666,964</u> |
| Current assets | | | | | |
| Stocks | 13 | 274,781 | | 152,099 | |
| Debtors | 14 | 5,485,010 | | 3,519,884 | |
| Cash at bank and in hand | | 8,298,870 | | 5,610,892 | |
| | | <u>14,058,661</u> | | <u>9,282,875</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(2,669,418)</u> | | <u>(1,452,981)</u> | |
| Net current assets | | | <u>11,389,243</u> | | <u>7,829,894</u> |
| Total assets less current liabilities | | | 12,319,530 | | 8,496,858 |
| Creditors: amounts falling due after more than one year | 17 | | (77,552) | | (77,228) |
| Provisions for liabilities | 18 | | <u>(1,087,559)</u> | | <u>(688,670)</u> |
| Net assets | | | <u>11,154,419</u> | | <u>7,730,960</u> |
| Capital and reserves | | | | | |
| Called up share capital | 20 | | 2 | | 2 |
| Profit and loss account | | | <u>11,154,417</u> | | <u>7,730,958</u> |
| Shareholders' funds | | | <u>11,154,419</u> | | <u>7,730,960</u> |

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

These accounts were approved by the directors and authorised for issue on 6 June 2016, and are signed on their behalf by



Aidan Strain
Director

Registration number NI038846

The notes on pages 9 to 21 form an integral part of these financial statements.

Aidan Strain Electrical Engineering Ltd

Statement of Cash flows
for the year ended 29 February 2016

| | Notes | 2016 £ | 28 £ |
|---|-----------|------------------|------------------|
| Cash flows from operating activities | | | |
| Profit for the financial year | | 5,607,436 | 5,399,300 |
| <i>Adjustments for:</i> | | | |
| Depreciation of tangible assets | | 92,091 | 72,596 |
| Amortisation of intangible assets | | 141,380 | 141,380 |
| Gain / (loss) on disposal of tangible assets | | 11,107 | (3,913) |
| <i>Changes in:</i> | | | |
| Stocks | | (122,682) | 633,146 |
| Trade and other debtors | | (1,909,097) | (608,969) |
| Trade and other creditors | | 643,505 | (503,051) |
| Provisions and employee benefits | | 390,320 | 682,590 |
| Cash generated from operations | | 4,854,060 | 5,813,079 |
| Interest received | | 12 | - |
| Interest paid | | (13,646) | (6,663) |
| Tax paid | | (824,028) | (1,254,429) |
| Net cash from operating activities | | <u>4,016,398</u> | <u>4,551,987</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible assets | | (423,248) | (55,865) |
| Proceeds from sale of tangible assets | | - | - |
| Net cash used in investing activities | | <u>(423,248)</u> | <u>(55,865)</u> |
| Cash inflows from financing activities | | | |
| Proceeds from borrowings | | - | - |
| Payment of finance lease liabilities | | (78,612) | (17,738) |
| Equity dividends paid | | (815,000) | (481,594) |
| Net cash used in financing activities | | <u>(893,612)</u> | <u>(499,332)</u> |
| Net increase / (decrease) in cash and cash equivalents | | 2,699,538 | 3,996,790 |
| Cash and cash equivalents at the beginning of year | 15 | 5,585,821 | 1,589,031 |
| Cash and cash equivalents at end of year | 15 | <u>8,285,359</u> | <u>5,585,821</u> |

Notes to the abbreviated financial statements
for the year ended 29 February 2016

1. Statement of compliance

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

2. Accounting policies

2.1. Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity.

2.2. Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st March 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 22.

2.3. Turnover

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

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

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

2.4. Taxation

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

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

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

2.5. Foreign currencies

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

2.6. Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

2.7. Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years.

2.8. Amortisation

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

Goodwill 10%

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

2.9. Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

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

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

2.10. Depreciation

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

Plant and machinery: 20% reducing balance
Fixtures fittings and equipment: 20% reducing balance
Motor vehicles: 20% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

2.11. Impairment

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

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

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

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

2.12.Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

2.13.Hire purchase and finance leases

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

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

2.14.Construction contracts

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the year end.

Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is expenses immediately, with a corresponding provision for an onerous contract being recognised.

Where the collectability of an amount already recognised as contract revenue is no longer probable, the uncollectible amount is expensed rather than recognised as an adjustment to the amount of contract revenue.

The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements for the year ended 29 February 2016

..... continued

2.15.Provisions

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

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

2.16.Defined contribution plans

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

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

| | | |
|---|-------------------|-------------------|
| 3. <u>Operating profit</u> | 2016 | 2015 |
| | £ | £ |
| Operating profit is stated after charging: | | |
| Depreciation and other amounts written off intangible assets | 141,380 | 141,380 |
| Depreciation and other amounts written off tangible assets | 89,296 | 72,596 |
| Loss on disposal of tangible fixed assets | 11,107 | - |
| Net foreign exchange loss | - | 634,042 |
| Operating lease rentals | | |
| - Motor vehicles | 5,888 | 4,446 |
| Fees payable for the audit of the financial statements (Note 4) | 12,000 | 12,000 |
| | <u> </u> | <u> </u> |
| and after crediting: | | |
| Profit on disposal of tangible fixed assets | - | 3,913 |
| Net foreign exchange gain | 563,419 | - |
| | <u> </u> | <u> </u> |

| | | |
|--|-------------------|-------------------|
| 4. <u>Auditors' remuneration</u> | 2016 | 2015 |
| | £ | £ |
| Auditors' remuneration - audit of the financial statements | 12,000 | 12,000 |
| | <u> </u> | <u> </u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

5. Employees

| | 2016 | As restated 2015 |
|---|-------------|---------------------------------|
| Number of employees | | |
| The average monthly numbers of employees (including the directors) during the year were: | | |
| Average Employees | 59 | 62 |
| Directors | 2 | 2 |
| Management / Administration Wages | 6 | 6 |
| Site Wages | 51 | 54 |
| | <u>59</u> | <u>62</u> |

| Employment costs | 2016 | 2015 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,219,598 | 1,973,399 |
| Social security costs | 748,349 | 652,459 |
| Pension costs-other operating charge | 6,852 | 232,664 |
| | <u>2,974,799</u> | <u>2,858,522</u> |

| | | |
|--|---------------|---------------|
| 5.1. <u>Directors' remuneration</u> | 2016 | 2015 |
| | £ | £ |
| Remuneration and other emoluments | 38,651 | 41,110 |
| Pension contributions | 94 | - |
| | <u>38,745</u> | <u>41,110</u> |

| | | |
|---|-------------|-------------|
| 6. <u>Interest receivable and similar income</u> | 2016 | 2015 |
| | £ | £ |
| Bank interest | 12 | - |
| | <u>12</u> | <u>-</u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| | | |
|---|---------------|--------------|
| 7. <u>Interest payable and similar charges</u> | 2016 | 2015 |
| | £ | £ |
| Hire purchase interest | 7,382 | 6,663 |
| On overdue tax | 6,264 | - |
| | <u>13,646</u> | <u>6,663</u> |

8. Employee Benefits

Defined contribution plans

The company operates a defined contribution pension scheme in respect of the administration employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £6,852 (2015 - £232,664).

| | | |
|---|--------------|----------------|
| | 2016 | 2015 |
| Analysis of the amount charged to operating profit | £ | £ |
| Current service cost | <u>6,758</u> | <u>232,664</u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

9. Tax on profit on ordinary activities

| Analysis of charge in period | 2016 | 2015 |
|--|------------------|------------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax | 1,148,172 | 1,161,162 |
| Adjustments in respect of previous periods | (1,657) | (77,646) |
| | <u>1,146,515</u> | <u>1,083,516</u> |
| Double tax relief | (648,363) | (1,064,911) |
| | <u>498,152</u> | <u>18,605</u> |
| Overseas tax | 770,736 | 1,064,911 |
| | <u>1,268,888</u> | <u>1,083,516</u> |
| Total current tax charge | | |
| | <u>1,268,888</u> | <u>1,083,516</u> |
| Deferred tax | | |
| Timing differences, origination and reversal | 8,569 | (7,157) |
| | <u>8,569</u> | <u>(7,157)</u> |
| Total deferred tax | | |
| | <u>8,569</u> | <u>(7,157)</u> |
| Tax on profit on ordinary activities | <u>1,277,457</u> | <u>1,076,359</u> |

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (20.00 per cent). The differences are explained below:

| | 2016 | 2015 |
|--|------------------|------------------|
| | £ | £ |
| Profit on ordinary activities before taxation | <u>5,515,917</u> | <u>5,392,638</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.00% (28 February 2015 : 21.00%) | 1,103,183 | 1,132,454 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 359 | 603 |
| Capital allowances for period in excess of depreciation | 38,918 | 17,288 |
| Higher tax rates on overseas earnings | 122,372 | - |
| Adjustments to tax charge in respect of previous periods | (1,657) | (77,646) |
| Timing difference in tax rates | 5,713 | 10,817 |
| | <u>1,268,888</u> | <u>1,083,516</u> |
| Current tax charge for period | | |
| | <u>1,268,888</u> | <u>1,083,516</u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| | | |
|--|-----------------------------|--------------------------|
| 10. <u>Dividends</u> | 2016 £ | 2015 £ |
| Dividends on equity shares: | | |
| Ordinary shares - final paid | <u>815,000</u> | <u>481,594</u> |
| | | |
| 11. <u>Intangible fixed assets</u> | Goodwill £ | Total £ |
| Cost | | |
| At 1 March 2015 | <u>855,398</u> | <u>855,398</u> |
| At 29 February 2016 | <u>855,398</u> | <u>855,398</u> |
| Amortisation | | |
| At 1 March 2015 | 431,260 | 431,260 |
| Charge for year | <u>141,380</u> | <u>141,380</u> |
| At 29 February 2016 | <u>572,640</u> | <u>572,640</u> |
| Net book values | | |
| At 29 February 2016 | <u>282,758</u> | <u>282,758</u> |
| At 28 February 2015 | <u>424,138</u> | <u>424,138</u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| 12. <u>Tangible fixed assets</u> | Land and buildings freehold £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|---|--|--------------------------------------|---|---------------------------------|--------------------|
| Cost | | | | | |
| At 1 March 2015 | - | 138,299 | 121,232 | 261,353 | 520,884 |
| Additions | 380,577 | - | 22,399 | 141,961 | 544,937 |
| Disposals | - | - | - | (81,305) | (81,305) |
| At 29 February 2016 | <u>380,577</u> | <u>138,299</u> | <u>143,631</u> | <u>322,010</u> | <u>984,516</u> |
| Depreciation | | | | | |
| At 1 March 2015 | - | 79,848 | 79,542 | 118,669 | 278,059 |
| On disposals | - | - | - | (33,162) | (33,162) |
| Charge for the year | - | 11,690 | 12,818 | 67,583 | 92,091 |
| At 29 February 2016 | <u>-</u> | <u>91,538</u> | <u>92,360</u> | <u>153,090</u> | <u>336,988</u> |
| Net book values | | | | | |
| At 29 February 2016 | <u>380,577</u> | <u>46,761</u> | <u>51,271</u> | <u>168,920</u> | <u>647,529</u> |
| At 28 February 2015 | <u>-</u> | <u>58,451</u> | <u>41,690</u> | <u>142,684</u> | <u>242,825</u> |

Included above are assets held under finance leases or hire purchase contracts as follows:

| Asset description | 2016 Net book value £ | Depreciation charge £ | 2015 Net book value £ | Depreciation charge £ |
|-------------------------------------|--------------------------------|-----------------------------|--------------------------------|-----------------------------|
| Motor vehicles | <u>134,128</u> | <u>44,709</u> | <u>104,167</u> | <u>34,722</u> |
| 13. <u>Stocks</u> | | | 2016 £ | 2015 £ |
| Work in progress | | | 169,806 | 41,619 |
| Finished goods and goods for resale | | | <u>104,975</u> | <u>110,480</u> |
| | | | <u>274,781</u> | <u>152,099</u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| | | |
|--|-------------------------|-------------------------|
| 14. <u>Debtors</u> | 2016 | 2015 |
| | £ | £ |
| Trade debtors | 1,311,339 | 1,269,092 |
| Amounts owed by customers on construction contracts | 1,100,357 | 933,727 |
| Other debtors | 3,065,243 | 1,313,317 |
| Prepayments and accrued income | 8,071 | 3,748 |
| | <u>5,485,010</u> | <u>3,519,884</u> |
| | <u><u>5,485,010</u></u> | <u><u>3,519,884</u></u> |
| 15. <u>Cash and cash equivalents</u> | 2016 | 2015 |
| | £ | £ |
| Cash and cash equivalents comprise the following: | | |
| Cash at bank and in hand | 8,298,870 | 5,610,892 |
| Bank overdrafts | <u>(13,511)</u> | <u>(25,069)</u> |
| | <u>8,285,359</u> | <u>5,585,823</u> |
| | <u><u>8,285,359</u></u> | <u><u>5,585,823</u></u> |
| 16. <u>Creditors: amounts falling due within one year</u> | 2016 | 2015 |
| | £ | £ |
| Credit card | 13,511 | 25,069 |
| Net obligations under finance leases and hire purchase contracts | 70,540 | 39,177 |
| Trade creditors | 1,161,793 | 575,083 |
| Corporation tax | 1,108,840 | 523,995 |
| Other taxes and social security costs | 230,930 | 165,378 |
| Directors' accounts | 628 | - |
| Other creditors | - | 65,326 |
| Accruals and deferred income | 83,176 | 58,953 |
| | <u>2,669,418</u> | <u>1,452,981</u> |
| | <u><u>2,669,418</u></u> | <u><u>1,452,981</u></u> |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| | | |
|---|--|-------------------------------|
| 17. <u>Creditors: amounts falling due after more than one year</u> | 2016 | 2015 |
| | £ | £ |
| Net obligations under finance leases and hire purchase contracts | <u>77,552</u> | <u>77,228</u> |
| Net obligations under finance leases and hire purchase contracts | | |
| Repayable within one year | 70,540 | 39,177 |
| Repayable between one and five years | <u>77,552</u> | <u>77,228</u> |
| | <u>148,092</u> | <u>116,405</u> |
| 18. <u>Provisions for liabilities</u> | | |
| | Deferred taxation (Note 19) £ | Other provisions £ |
| At 1 March 2015 | 6,080 | 682,590 |
| Movements in the year | <u>8,569</u> | <u>390,320</u> |
| At 29 February 2016 | <u>14,649</u> | <u>1,072,910</u> |
| | | Total £ |
| | | 688,670 |
| | | <u>398,889</u> |
| | | <u>1,087,559</u> |
| 19. <u>Provision for deferred taxation</u> | 2016 | 2015 |
| | £ | £ |
| Accelerated capital allowances | <u>14,649</u> | <u>6,080</u> |
| Provision for deferred tax | <u>14,649</u> | <u>6,080</u> |
| Provision at 1 March 2015 | 6,080 | |
| Deferred tax charge in profit and loss account | <u>8,569</u> | |
| Provision at 29 February 2016 | <u>14,649</u> | |

Aidan Strain Electrical Engineering Ltd

Notes to the abbreviated financial statements
for the year ended 29 February 2016

..... continued

| 20. <u>Share capital</u> | 2016 | 2015 |
|---|-------------|-------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <u>2</u> | <u>2</u> |
| Equity Shares | | |
| 2 Ordinary shares of £1 each | 2 | 2 |
| | <u>2</u> | <u>2</u> |

21. Financial commitments

At 29 February 2016 the company had annual commitments under non-cancellable operating leases as follows:

| | Motor Vehicles | |
|---------------------|-----------------------|--------------|
| | 2016 | 2015 |
| | £ | £ |
| Expiry date: | | |
| Within one year | - | 2,960 |
| | <u>-</u> | <u>2,960</u> |

22. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 March 2014.

Reconciliation of equity

No transitional adjustments are required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.