

REGISTERED NUMBER: SC105407 (Scotland)

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2016
FOR
KELVINSIDE ELECTRONICS LIMITED**

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FOR THE YEAR ENDED 30 NOVEMBER 2016

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KELVINSIDE ELECTRONICS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2016

DIRECTORS:

I Ferguey
D Baird

SECRETARY:

D Baird

REGISTERED OFFICE:

2 Gavell Road
Kilsyth
Glasgow
G65 9BS

REGISTERED NUMBER:

SC105407 (Scotland)

AUDITORS:

Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016**

The directors present their strategic report for the year ended 30 November 2016.

REVIEW OF BUSINESS

The Company generated pre tax profits of £839,007 during the year. At the year end the Company had shareholders funds of £3,434,735 including distributable profits of £3,358,483. The directors therefore believe the Company's position to be satisfactory.

The directors have seen continuing satisfactory trading results in the year following the accounting period and expect these to continue going forward.

Key performance indicators

As with many other businesses, the Directors of the Company use a number of key performance indicators to assess performance of the Company. Those regularly reviewed are:

- Gross profit margin - 38.6% for the year (2015: 36.5%)
- Operating profit margin - 9.2% for the year (2015: 9.1%)
- Quality assurance

PRINCIPAL RISKS AND UNCERTAINTIES

The directors have assessed the main risk facing the Company as being the competition from other companies within the industry. The directors believe that the reputation of the Company and the quality of the products will mitigate this risk.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company finances its operations through a mixture of retained profits and operational bank accounts, and where necessary to fund expansion or capital expenditure programmes through bank borrowings and hire purchase. The management's objectives are to:

- retain sufficient liquid funds to enable the Company to meet its day to day obligations as they fall due whilst maximising returns on surplus funds;
- minimise the Company's exposure to fluctuating interest rates when seeking new borrowings;
- match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the Company's trading activities; and
- minimise the Company's exposure to exchange rate fluctuations by using a mixture of forward contracts and foreign currency bank accounts.

The Company is exposed to the normal credit risk associated with dealing with customers on commercial credit terms.

The Company is exposed to the normal exchange rate risk associated with dealing with foreign suppliers on commercial credit terms.

ON BEHALF OF THE BOARD:

I Ferguey - Director

30 August 2017

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016**

The directors present their report with the financial statements of the Company for the year ended 30 November 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was designing, manufacturing and repairing electronic equipment.

DIVIDENDS

Details of dividends paid are included in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2015 to the date of this report.

I Ferguey
D Baird

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Consilium Audit Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

I Ferguey - Director

30 August 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF KELVINSIDE ELECTRONICS LIMITED

We have audited the financial statements of Kelvinside Electronics Limited for the year ended 30 November 2016 on pages five to fifteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited (Statutory Auditor)
169 West George Street
Glasgow
G2 2LB

30 August 2017

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2016**

		2016	2015
	Notes	£	£
TURNOVER	3	8,716,436	8,272,415
Cost of sales		<u>5,352,959</u>	<u>5,255,102</u>
GROSS PROFIT		3,363,477	3,017,313
Administrative expenses		<u>2,562,071</u>	<u>2,410,033</u>
		801,406	607,280
Other operating income		<u>-</u>	<u>143,290</u>
OPERATING PROFIT	6	801,406	750,570
Interest receivable and similar income		<u>37,601</u>	<u>2,476</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		839,007	753,046
Tax on profit on ordinary activities	7	<u>167,431</u>	<u>119,510</u>
PROFIT FOR THE FINANCIAL YEAR		671,576	633,536
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>671,576</u>	<u>633,536</u>

The notes form part of these financial statements

BALANCE SHEET
30 NOVEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	9		121,753		115,524
CURRENT ASSETS					
Stocks	10	2,449,088		2,009,141	
Debtors	11	1,655,831		1,771,672	
Cash at bank and in hand		<u>933,822</u>		<u>426,007</u>	
		5,038,741		4,206,820	
CREDITORS					
Amounts falling due within one year	12	<u>1,717,419</u>		<u>1,555,606</u>	
NET CURRENT ASSETS			<u>3,321,322</u>		<u>2,651,214</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,443,075</u>		<u>2,766,738</u>
PROVISIONS FOR LIABILITIES	14		<u>8,340</u>		<u>3,579</u>
NET ASSETS			<u><u>3,434,735</u></u>		<u><u>2,763,159</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		6,579		6,579
Share premium	16		65,923		65,923
Capital redemption reserve	16		3,750		3,750
Retained earnings	16		<u>3,358,483</u>		<u>2,686,907</u>
SHAREHOLDERS' FUNDS			<u><u>3,434,735</u></u>		<u><u>2,763,159</u></u>

The financial statements were approved by the Board of Directors on 30 August 2017 and were signed on its behalf by:

I Ferguey - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 December 2014	6,579	4,143,667	65,923
Changes in equity			
Dividends	-	(2,430,000)	-
Total comprehensive income	-	973,240	-
Balance at 30 November 2015	<u>6,579</u>	<u>2,686,907</u>	<u>65,923</u>
Changes in equity			
Total comprehensive income	-	671,576	-
Balance at 30 November 2016	<u>6,579</u>	<u>3,358,483</u>	<u>65,923</u>
	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 December 2014	339,704	3,750	4,559,623
Changes in equity			
Dividends	-	-	(2,430,000)
Total comprehensive income	(339,704)	-	633,536
Balance at 30 November 2015	<u>-</u>	<u>3,750</u>	<u>2,763,159</u>
Changes in equity			
Total comprehensive income	-	-	671,576
Balance at 30 November 2016	<u>-</u>	<u>3,750</u>	<u>3,434,735</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

1. COMPANY INFORMATION

Kelvinside Electronics Limited is a private company limited by shares and is incorporated and domiciled in Scotland. The Company's registered office address can be found on the Company Information page.

The presentation currency of the financial statement is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Information on the impact of first-time adoption of FRS 102 is given in note 22.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine the basis of recognising income. The Company recognises revenue when the amount can be measured reliably; it is probable that future economic benefit will flow to the Company and the Company has fulfilled its contractual obligations.
- Determine whether leases entered into by the Company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.
- Determine whether any stock provision is required via comparison of cost and net realisable value of stock on an item by item basis. Factors considered include stock obsolescence, stock turnover and stock condition.

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

The Company has taken advantage of the exemption under FRS 102 from disclosing a statement of cash flows on the grounds that it is a wholly owned subsidiary and a group statement of cash flows is included in the consolidated financial statements of Kelvinside Electronics (Number 1) Limited.

Copies of the consolidated financial statements are available from the Registrar of Companies Companies House, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

Turnover

The turnover shown in the Statement of Comprehensive Income represents net invoiced sales of goods and services, excluding value added tax. Revenue is recognised when the significant risks and rewards of ownership have been transferred to a third party, the amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the transaction will flow to the Company.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 15% on cost
Fixtures and fittings	- 20% on cost

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition.

Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Taxation

Taxation for the year comprises current and deferred tax. 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 equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the Statement of Comprehensive Income.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities and transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

2. ACCOUNTING POLICIES - continued**Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the year end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	8,128,712	8,136,380
Overseas	587,724	136,035
	<u>8,716,436</u>	<u>8,272,415</u>

4. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	1,668,053	1,667,796
Social security costs	176,521	173,643
Other pension costs	165,480	147,084
	<u>2,010,054</u>	<u>1,988,523</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Production staff	61	62
Administrative staff	9	9
Management staff	2	2
	<u>72</u>	<u>73</u>

5. DIRECTORS' EMOLUMENTS

	2016	2015
	£	£
Directors' remuneration	331,845	312,903
Directors' pension contributions to money purchase schemes	<u>27,600</u>	<u>40,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

5. DIRECTORS' EMOLUMENTS - continued

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1
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Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	198,282	183,744

The Company considers key management to be the directors of the Company. The key management remuneration for the year is as disclosed above.

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	17,320	24,882
Depreciation - owned assets	45,117	48,416
Profit on disposal of fixed assets	-	(77,017)
Auditors' remuneration	15,500	15,150
Amortisation of government grants	-	(143,290)

7. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	164,283	124,022
Overprovision of tax	(1,613)	-
Total current tax	162,670	124,022
Deferred tax	4,761	(4,512)
Tax on profit on ordinary activities	167,431	119,510

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

7. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016	2015
	£	£
Profit on ordinary activities before tax	<u>839,007</u>	<u>753,046</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	167,801	150,609
Effects of:		
Expenses not deductible for tax purposes	1,243	3,000
Income not taxable for tax purposes	-	(35,388)
Adjustments to tax charge in respect of previous periods	(1,613)	-
Tax chargeable at higher/(lower) rate	<u>-</u>	<u>1,289</u>
Total tax charge	<u>167,431</u>	<u>119,510</u>

8. DIVIDENDS

	2016	2015
	£	£
Ordinary shares of £1 each		
Final	<u>-</u>	<u>2,430,000</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Totals
	£	£	£
COST			
At 1 December 2015	1,642,150	251,087	1,893,237
Additions	49,400	1,946	51,346
At 30 November 2016	<u>1,691,550</u>	<u>253,033</u>	<u>1,944,583</u>
DEPRECIATION			
At 1 December 2015	1,537,119	240,594	1,777,713
Charge for year	40,085	5,032	45,117
At 30 November 2016	<u>1,577,204</u>	<u>245,626</u>	<u>1,822,830</u>
NET BOOK VALUE			
At 30 November 2016	<u>114,346</u>	<u>7,407</u>	<u>121,753</u>
At 30 November 2015	<u>105,031</u>	<u>10,493</u>	<u>115,524</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

10. STOCKS

	2016	2015
	£	£
Raw materials	1,850,127	1,852,933
WIP	40,500	40,500
Finished goods	558,461	115,708
	<u>2,449,088</u>	<u>2,009,141</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	1,579,599	1,740,526
Directors' loan accounts	-	967
Prepayments and accrued income	76,232	30,179
	<u>1,655,831</u>	<u>1,771,672</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	1,324,639	1,089,903
Amounts owed to group undertakings	18,183	1,350
Tax	164,283	124,022
Social security and other taxes	43,971	46,712
VAT	106,744	249,761
Directors' loan accounts	-	1,302
Accruals and deferred income	59,599	42,556
	<u>1,717,419</u>	<u>1,555,606</u>

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2015
	£	£
Within one year	5,109	18,254
Between one and five years	-	5,109
	<u>5,109</u>	<u>23,363</u>

14. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax		
Accelerated capital allowances	<u>8,340</u>	<u>3,579</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

14. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 December 2015	3,579
Charge to Statement of Comprehensive Income during year	4,761
Balance at 30 November 2016	<u>8,340</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2016 £	2015 £
6,579	Ordinary		<u>6,579</u>	<u>6,579</u>

16. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 December 2015	2,686,907	65,923	3,750	2,756,580
Profit for the year	<u>671,576</u>	-	-	<u>671,576</u>
At 30 November 2016	<u>3,358,483</u>	<u>65,923</u>	<u>3,750</u>	<u>3,428,156</u>

17. ULTIMATE PARENT COMPANY

Kelvinside Electronics (Number 1) Limited is regarded by the directors as being the Company's ultimate parent company.

18. CONTINGENT LIABILITIES

HMRC is enquiring into various tax planning strategies set up by the Company between 2004 and 2010. No provision has been made for any potential future economic outflows in this matter. It may take several years before the position is finally established but there is a possibility that further taxation liabilities will arise. Whilst HMRC issued estimated tax determinations on the Company a number of years ago, the directors believe that there is no current basis to quantify with certainty the magnitude or timing of any potential exposure, including the level of potential penalties and interest that may arise should any liability crystallise in the future.

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 November 2016 and 30 November 2015:

	2016 £	2015 £
I Ferguey		
Balance outstanding at start of year	967	-
Amounts advanced	24,869	44,833
Amounts repaid	(25,836)	(43,866)
Balance outstanding at end of year	<u>-</u>	<u>967</u>

The above loan is unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2016

20. **RELATED PARTY DISCLOSURES**

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

21. **ULTIMATE CONTROLLING PARTY**

The Company was under the control of D Baird throughout the current and previous year by virtue of his interest in the issued share capital of the ultimate parent company, Kelvinside Electronics (Number 1) Limited.

22. **FIRST YEAR ADOPTION**

The policies applied under the Company's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss. The transition date for reporting is 1 December 2014.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.