

REGISTERED NUMBER: SC105407 (Scotland)

**STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017
FOR
KELVINSIDE ELECTRONICS LIMITED**

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FOR THE YEAR ENDED 30 NOVEMBER 2017

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KELVINSIDE ELECTRONICS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2017

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 2017**

The directors present their strategic report for the year ended 30 November 2017.

REVIEW OF BUSINESS

The Company generated an operating profit of £312,260 during the year. At the year end the Company had shareholders funds of £2,159,606 including distributable profits of £2,083,354. 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 - 40.5% for the year (2016: 38.6%)
- Operating profit margin - 3.4% for the year (2016: 9.2%)
- 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

5 November 2018

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017**

The directors present their report with the financial statements of the Company for the year ended 30 November 2017.

PRINCIPAL ACTIVITY

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

DIVIDENDS

No dividends were distributed for the year ended 30 November 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 December 2016 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

5 November 2018

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

Opinion

We have audited the financial statements of Kelvinside Electronics Limited (the 'Company') for the year ended 30 November 2017 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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.

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

Responsibilities of directors

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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.

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

6 November 2018

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2017

		2017	2016
	Notes	£	£
TURNOVER	3	9,264,918	8,716,436
Cost of sales		<u>5,513,313</u>	<u>5,352,959</u>
GROSS PROFIT		3,751,605	3,363,477
Administrative expenses		<u>3,439,345</u>	<u>2,562,071</u>
OPERATING PROFIT	6	312,260	801,406
Interest receivable and similar income		395	37,601
Interest payable and similar expenses	7	<u>(1,290,000)</u>	<u>-</u>
(LOSS)/PROFIT BEFORE TAXATION		(977,345)	839,007
Tax on (loss)/profit	8	<u>297,784</u>	<u>167,431</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,275,129)	671,576
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,275,129)</u>	<u>671,576</u>

The notes form part of these financial statements

BALANCE SHEET
30 NOVEMBER 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	9		241,508		121,753
CURRENT ASSETS					
Stocks	10	2,290,051		2,449,088	
Debtors	11	3,974,127		1,655,831	
Cash at bank and in hand		<u>1,378,269</u>		<u>933,822</u>	
		7,642,447		5,038,741	
CREDITORS					
Amounts falling due within one year	12	<u>5,692,693</u>		<u>1,717,419</u>	
NET CURRENT ASSETS			<u>1,949,754</u>		<u>3,321,322</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,191,262</u>		<u>3,443,075</u>
PROVISIONS FOR LIABILITIES	14		<u>31,656</u>		<u>8,340</u>
NET ASSETS			<u><u>2,159,606</u></u>		<u><u>3,434,735</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>2,083,354</u>		<u>3,358,483</u>
SHAREHOLDERS' FUNDS			<u><u>2,159,606</u></u>		<u><u>3,434,735</u></u>

The financial statements were approved by the Board of Directors on 5 November 2018 and were signed on its behalf by:

I Ferguey - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 December 2015	6,579	2,686,907	65,923	3,750	2,763,159
Changes in equity					
Total comprehensive income	-	671,576	-	-	671,576
Balance at 30 November 2016	6,579	3,358,483	65,923	3,750	3,434,735
Changes in equity					
Total comprehensive income	-	(1,275,129)	-	-	(1,275,129)
Balance at 30 November 2017	6,579	2,083,354	65,923	3,750	2,159,606

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

1. STATUTORY INFORMATION

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

The presentation currency of the financial statements 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.

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.

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

2. ACCOUNTING POLICIES - continued**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.

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 period 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.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Operating lease commitments

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

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

3. TURNOVER

The turnover and loss (2016 - profit) before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

	2017	2016
	£	£
United Kingdom	9,021,962	8,128,712
Overseas	<u>242,956</u>	<u>587,724</u>
	<u>9,264,918</u>	<u>8,716,436</u>

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	1,686,417	1,668,053
Social security costs	958,754	176,521
Other pension costs	<u>172,788</u>	<u>165,480</u>
	<u>2,817,959</u>	<u>2,010,054</u>

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

	2017	2016
Production staff	60	61
Administrative staff	9	9
Management staff	<u>2</u>	<u>2</u>
	<u>71</u>	<u>72</u>

5. DIRECTORS' EMOLUMENTS

	2017	2016
	£	£
Directors' remuneration	425,042	331,845
Directors' pension contributions to money purchase schemes	<u>28,100</u>	<u>27,600</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
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Information regarding the highest paid director is as follows:

	2017	2016
	£	£
Emoluments etc	<u>268,524</u>	<u>198,282</u>

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

6. OPERATING PROFIT

The operating profit is stated after charging:

	2017	2016
	£	£
Other operating leases	7,077	17,320
Depreciation - owned assets	57,684	45,117
Auditors' remuneration	15,500	15,500
Foreign exchange differences	<u>10,630</u>	<u>-</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Interest on overdue tax	<u>1,290,000</u>	<u>-</u>

Interest on overdue tax relates to the settlement, subsequent to the year end, of historic tax planning strategies.

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

The tax charge on the loss for the year was as follows:

	2017	2016
	£	£
Current tax:		
UK corporation tax	222,468	164,283
Overprovision of tax	<u>52,000</u>	<u>(1,613)</u>
Total current tax	274,468	162,670
Deferred tax	<u>23,316</u>	<u>4,761</u>
Tax on (loss)/profit	<u>297,784</u>	<u>167,431</u>

Reconciliation of total tax charge included in profit and loss

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

	2017	2016
	£	£
(Loss)/profit before tax	<u>(977,345)</u>	<u>839,007</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	(185,696)	167,801
Effects of:		
Expenses not deductible for tax purposes	1,391	1,243
Adjustments to tax charge in respect of previous periods	480,450	(1,613)
Tax chargeable at higher rate	3,815	-
Deferred tax provided at lower rate	<u>(2,176)</u>	<u>-</u>
Total tax charge	<u>297,784</u>	<u>167,431</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 December 2016	1,691,550	253,033	1,944,583
Additions	174,233	3,206	177,439
At 30 November 2017	<u>1,865,783</u>	<u>256,239</u>	<u>2,122,022</u>
DEPRECIATION			
At 1 December 2016	1,577,204	245,626	1,822,830
Charge for year	54,726	2,958	57,684
At 30 November 2017	<u>1,631,930</u>	<u>248,584</u>	<u>1,880,514</u>
NET BOOK VALUE			
At 30 November 2017	<u>233,853</u>	<u>7,655</u>	<u>241,508</u>
At 30 November 2016	<u>114,346</u>	<u>7,407</u>	<u>121,753</u>

10. STOCKS

	2017 £	2016 £
Raw materials	1,431,746	1,850,127
Work-in-progress	40,500	40,500
Finished goods	817,805	558,461
	<u>2,290,051</u>	<u>2,449,088</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	1,779,325	1,579,599
Other debtors	2,160,000	-
Prepayments and accrued income	34,802	76,232
	<u>3,974,127</u>	<u>1,655,831</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	579,348	1,324,639
Amounts owed to group undertakings	75,826	18,183
Tax	222,468	164,283
Social security and other taxes	4,391,014	43,971
VAT	353,490	106,744
Other creditors	2,293	-
Accruals and deferred income	68,254	59,599
	<u>5,692,693</u>	<u>1,717,419</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

13. LEASING AGREEMENTS

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

	2017 £	2016 £
Within one year	4,375	5,109
Between one and five years	6,563	-
	<u>10,938</u>	<u>5,109</u>

14. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax		
Accelerated capital allowances	<u>31,656</u>	<u>8,340</u>

	Deferred tax £
Balance at 1 December 2016	8,340
Charge to Statement of Comprehensive Income during year	<u>23,316</u>
Balance at 30 November 2017	<u>31,656</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
6,579	Ordinary	£1	<u>6,579</u>	<u>6,579</u>

16. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 December 2016	3,358,483	65,923	3,750	3,428,156
Deficit for the year	<u>(1,275,129)</u>	<u>-</u>	<u>-</u>	<u>(1,275,129)</u>
At 30 November 2017	<u>2,083,354</u>	<u>65,923</u>	<u>3,750</u>	<u>2,153,027</u>

17. ULTIMATE PARENT COMPANY

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

18. 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 further 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".

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017

19. **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.

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.