

# **SCOMAC CATERING EQUIPMENT LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**SCOMAC CATERING EQUIPMENT LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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<b>Directors:</b>	A M Imlah Mrs M Imlah M A J Street I P Munro S Shepherd
<b>Secretary:</b>	M A J Street
<b>Registered office:</b>	Unitech House Prospect Road Burntwood Staffordshire WS7 0AL
<b>Registered number:</b>	02841935 (England and Wales)
<b>Senior statutory auditor:</b>	Gary Woodhall ACA
<b>Auditors:</b>	Haines Watts South Midlands Audit LLP Chartered Accountants & Statutory Auditors 1 Rushmills Northampton NN4 7YB
<b>Solicitors:</b>	Gateley Plc 111 Edmund Street Birmingham B3 2HJ

## SCOMAC CATERING EQUIPMENT LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

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

#### Review of the business

##### *Principal activities*

The company's principal activities are the design, bespoke manufacture, distribution and maintenance of commercial catering equipment.

##### *Result and performance*

The profit for the year after tax was £453,856 (2015: £337,708), as set out on page 6.

Trading conditions were difficult, but turnover and margins showed slight increases compared with the previous year.

The statement of financial position on page 7 shows that the company was in a sound financial state at the year end.

The company faces the same risks and uncertainties as its competitors of similar size and complexity. The directors will endeavour to maintain the company's performance level by responding to changes in the market and actively looking for new business opportunities.

##### *Key performance indicators*

	<u>2016</u>	<u>2015</u>
Turnover	£ 13,348,085	£ 14,327,482
Turnover (decrease)/increase	( 7%)	5%
Gross profit margin	28%	26%
Net assets	£ 1,315,291	£ 861,435

##### *Principal risks and uncertainties*

The principal risks and uncertainties facing the company are:

- Cost of raw materials – the company has a limited ability to pass on to customers current significant increases in commodity prices.
- Competition – the company is constantly subject to pressure on prices from its competitors, and without cost control and investment in new products, there is a risk that profitability could be reduced.
- The economy – the company's sales are influenced by the state of the economy, particularly the demand for capital equipment, which creates a risk of uncertain demand for its products.
- Product acceptance – there is a need for the company to refresh and innovate so that its products appeal to the current market, otherwise there is a risk that sales and profitability could decline.
- Financial instruments – the company is exposed to a variety of financial risks at varying degrees, including the effects of changes in interest rates, foreign exchange rates, liquidity and credit risk relating to trade debtors and creditors.

On behalf of the Board



**A M IMLAH**  
Director

29 May 2017

**SCOMAC CATERING EQUIPMENT LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their report with the financial statements of the company for the year ended 31 December 2016.

**Dividends**

**Directors**

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

A M Imlah  
Mrs M Imlah  
M A J Street  
I P Munro  
S Shepherd

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

**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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board



**A M IMLAH**  
Director

29 May 2017

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SCOMAC CATERING EQUIPMENT LIMITED**

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We have audited the financial statements of ScoMac Catering Equipment Limited for the year ended 31 December 2016 on pages six to sixteen. 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 shareholders, 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 shareholders those matters we are required to state to them in an Auditors' 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 and the company's shareholders 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 Report of the Directors 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 31 December 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 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.

In the light of our 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 and the directors' report.

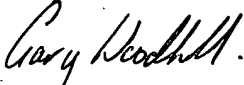
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
SCOMAC CATERING EQUIPMENT LIMITED**

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**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.



Gary Woodhall ACA  
Senior Statutory Auditor  
for and on behalf of Haines Watts South Midlands Audit LLP  
Chartered Accountants & Statutory Auditors  
1 Rushmills  
Northampton  
NN4 7YB

31 May 2017

**SCOMAC CATERING EQUIPMENT LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	31.12.16 £	31.12.15 £
<b>Revenue</b>	4	13,348,085	14,327,482
Direct expenses		<u>9,583,928</u>	<u>10,667,328</u>
<b>Gross profit</b>		3,764,157	3,660,154
Operating expenses		<u>3,182,844</u>	<u>3,201,849</u>
<b>Operating profit</b>	6	581,313	458,305
Interest payable and similar expenses	7	<u>13,830</u>	<u>30,384</u>
<b>Profit before taxation</b>		567,483	427,921
Tax on profit	8	<u>113,627</u>	<u>90,213</u>
<b>Profit for the financial year</b>		453,856	337,708
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>453,856</u></u>	<u><u>337,708</u></u>

**SCOMAC CATERING EQUIPMENT LIMITED**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2016**

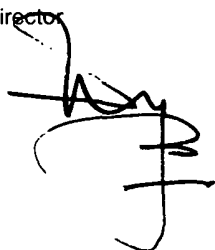
	Notes	31.12.16		31.12.15	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		659,921		448,843
Investment in subsidiary	10		<u>-</u>		<u>1</u>
			659,921		448,844
<b>Current assets</b>					
Stocks	11	205,104		238,898	
Debtors	12	2,776,984		2,792,278	
Cash at bank and in hand		<u>326,918</u>		<u>307,645</u>	
		3,309,006		3,338,821	
<b>Creditors</b>					
Amounts falling due within one year	13	<u>2,448,929</u>		<u>2,818,697</u>	
<b>Net current assets</b>			<u>860,077</u>		<u>520,124</u>
<b>Total assets less current liabilities</b>			1,519,998		968,968
<b>Creditors</b>					
Amounts falling due after more than one year	14		(188,707)		(96,533)
<b>Provisions for liabilities</b>	17		<u>(16,000)</u>		<u>(11,000)</u>
<b>Net assets</b>			<u>1,315,291</u>		<u>861,435</u>
<b>Capital and reserves</b>					
Called up share capital	18		106		106
Retained earnings	19		<u>1,315,185</u>		<u>861,329</u>
<b>Shareholders' funds</b>			<u>1,315,291</u>		<u>861,435</u>

The financial statements were approved by the Board of Directors on 29 May 2017 and were signed on its behalf by:

**A M IMLAH**  
Director



**M A J STREET**  
Director





**SCOMAC CATERING EQUIPMENT LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2015</b>	106	523,621	523,727
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>337,708</u>	<u>337,708</u>
<b>Balance at 31 December 2015</b>	<u>106</u>	<u>861,329</u>	<u>861,435</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>-</u>	<u>453,856</u>	<u>453,856</u>
<b>Balance at 31 December 2016</b>	<u>106</u>	<u>1,315,185</u>	<u>1,315,291</u>

## SCOMAC CATERING EQUIPMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. Statutory information

ScoMac Catering Equipment Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

#### 2. Statement of compliance

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. There were no material departures from that standard.

#### 3. Accounting policies

##### **Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted in the preparation of the financial statements are set out below and remain unchanged from the previous year.

##### **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.

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Preparation of consolidated financial statements**

The financial statements contain information about ScoMac Catering Equipment Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Unitech Industries Limited, Prospect Road, Burntwood, Staffordshire.

##### **Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added tax, and includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point when the customer takes delivery of the goods.

Turnover from the rendering of services is recognised when they are performed, and the outcome can be reliably estimated.

##### **Tangible fixed assets and depreciation**

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

No depreciation is provided in respect of the freehold property, which is held for use by the group, on the grounds that the directors believe that the estimated residual value of the property is not materially different from the carrying value of the asset, and that this policy reflects a true and fair view in the financial statements.

Tangible fixed assets are depreciated on net book values at the following annual rates apart from those of low cost which are charged to revenue in the year of purchase.

Plant and equipment	-	20% to 50%
Motor vehicles	-	25%

## SCOMAC CATERING EQUIPMENT LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 3. Accounting policies - continued

##### Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

##### Stocks

Raw materials, consumables and work in progress are valued at the lower of cost and estimated selling price less costs to complete and sell after making due allowance for obsolete and slow moving stock.

##### 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 is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

##### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 year end. 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.

##### Hire purchase and leasing commitments

Tangible fixed assets financed by leasing agreements that give rights approximating to ownership ("finance leases") are capitalised, and outstanding lease instalments are shown under creditors. Depreciation on such assets, which is calculated on the above basis, and the interest element of the leasing payments are charged to revenue as are rentals payable under operating leases.

##### Pension costs and other post-retirement benefits

The company operates defined contribution schemes for the benefit of all employees eligible to participate. Contributions are charged annually to revenue and the assets of the pension schemes are invested externally and managed by insurance companies.

#### 4. Revenue

The revenue and profit before taxation are attributable to the principal activities of the company.

An analysis of revenue by geographical market is given below:

	31.12.16	31.12.15
	£	£
United Kingdom	13,348,085	14,181,582
West Indies	-	145,900
	<u>13,348,085</u>	<u>14,327,482</u>

**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**5. Employees and directors**

	31.12.16	31.12.15
	£	£
Wages and salaries	2,986,024	2,937,979
Social security costs	284,087	288,048
Other pension costs	70,313	65,509
	<u>3,340,424</u>	<u>3,291,536</u>

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

	31.12.16	31.12.15
Production	71	72
Sales and distribution	19	19
Administration and design	13	13
	<u>103</u>	<u>104</u>

	31.12.16	31.12.15
	£	£
Directors' remuneration	187,311	125,301
Directors' pension contributions to money purchase schemes	<u>10,793</u>	<u>10,750</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
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**6. Operating profit**

The operating profit is stated after charging:

	31.12.16	31.12.15
	£	£
Equipment leasing charges	20,088	20,861
Depreciation - owned assets	52,840	49,893
Depreciation - assets on hire purchase contracts	90,967	90,918
Loss on disposal of fixed assets	8,671	18,668
Auditors remuneration	8,750	8,000
Auditors' remuneration for non audit work	<u>-</u>	<u>16,000</u>

**7. Interest payable and similar expenses**

	31.12.16	31.12.15
	£	£
Bank interest	-	3,053
Other interest	400	8,888
Hire purchase interest	<u>13,430</u>	<u>18,443</u>
	<u>13,830</u>	<u>30,384</u>

**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**8. Taxation**

**Analysis of the tax charge**

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

	31.12.16 £	31.12.15 £
Current tax:		
UK corporation tax	108,627	77,185
Group relief surrendered	-	10,228
Total current tax	108,627	87,413
Deferred tax	5,000	2,800
Tax on profit	<u>113,627</u>	<u>90,213</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:

	31.12.16 £	31.12.15 £
Profit before tax	<u>567,483</u>	<u>427,921</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	113,497	85,584
Effects of:		
Expenses not deductible for tax purposes	684	2,394
Capital allowances in excess of depreciation	(5,554)	(1,505)
Effect of changes in rate of tax	-	940
Deferred tax	<u>5,000</u>	<u>2,800</u>
Total tax charge	<u>113,627</u>	<u>90,213</u>

**9. Tangible assets**

	Freehold property £	Plant and machinery £	Office and computer equipment £	Motor vehicles £	Totals £
<b>Cost</b>					
At 1 January 2016	-	403,972	60,630	732,103	1,196,705
Additions	155,195	5,750	22,933	180,779	364,657
Disposals	-	-	-	(47,466)	(47,466)
At 31 December 2016	<u>155,195</u>	<u>409,722</u>	<u>83,563</u>	<u>865,416</u>	<u>1,513,896</u>
<b>Depreciation</b>					
At 1 January 2016	-	257,675	57,280	432,907	747,862
Charge for year	-	29,952	13,142	100,713	143,807
Eliminated on disposal	-	-	-	(37,694)	(37,694)
At 31 December 2016	<u>-</u>	<u>287,627</u>	<u>70,422</u>	<u>495,926</u>	<u>853,975</u>
<b>Net book value</b>					
At 31 December 2016	<u>155,195</u>	<u>122,095</u>	<u>13,141</u>	<u>369,490</u>	<u>659,921</u>
At 31 December 2015	<u>-</u>	<u>146,297</u>	<u>3,350</u>	<u>299,196</u>	<u>448,843</u>

**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**9. Tangible assets - continued**

Tangible fixed assets with a net book value of £347,960 are secured on hire purchase contracts, and the depreciation charged on these assets for the year was £90,967.

**10. Investment in subsidiary**

The investment in the share capital of ScoMac Property Services Ltd (formerly Unitech Investments Ltd) was transferred during the year to the parent company, Unitech Industries Limited.

<b>Cost</b>	£
At 1 January 2016	1
Transfer	(1)
At 31 December 2016	-

**11. Stocks**

	31.12.16	31.12.15
	£	£
Raw materials and consumables	83,550	141,450
Work-in-progress	121,554	97,448
	<u>205,104</u>	<u>238,898</u>

**12. Debtors: amounts falling due within one year**

	31.12.16	31.12.15
	£	£
Trade debtors	2,708,125	2,726,225
Other debtors	147	-
Prepayments	68,712	66,053
	<u>2,776,984</u>	<u>2,792,278</u>

**13. Creditors: amounts falling due within one year**

	31.12.16	31.12.15
	£	£
Hire purchase contracts (see note 15)	59,882	136,974
Trade creditors	1,619,142	1,731,611
Amounts owed to group undertakings	40,666	142,125
Corporation tax	108,627	77,185
Tax and social security	58,513	61,463
Value added tax	364,956	431,111
Other creditors and accrued expenses	77,919	124,909
Deferred income	119,224	113,319
	<u>2,448,929</u>	<u>2,818,697</u>

**14. Creditors: amounts falling due after more than one year**

	31.12.16	31.12.15
	£	£
Hire purchase contracts (see note 15)	188,707	96,533

**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**15. Leasing agreements**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.16	31.12.15
	£	£
Gross obligations repayable:		
Within one year	65,628	147,667
Between one and five years	<u>199,113</u>	<u>99,943</u>
	<u>264,741</u>	<u>247,610</u>
Finance charges repayable:		
Within one year	5,746	10,693
Between one and five years	<u>10,406</u>	<u>3,410</u>
	<u>16,152</u>	<u>14,103</u>
Net obligations repayable:		
Within one year	59,882	136,974
Between one and five years	<u>188,707</u>	<u>96,533</u>
	<u>248,589</u>	<u>233,507</u>

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2016	2016
	£	£
Later than 1 year and not later than 5 years	<u>68,080</u>	<u>102,120</u>

**16. Secured debts**

The following secured debts are included within creditors:

	31.12.16	31.12.15
	£	£
Hire purchase contracts	<u>248,589</u>	<u>233,507</u>

**17. Provisions for liabilities**

	31.12.16	31.12.15
	£	£
Deferred tax	<u>16,000</u>	<u>11,000</u>
		Deferred tax
		£
Balance at 1 January 2016		11,000
Charge to Statement of Comprehensive Income during year		<u>5,000</u>
Balance at 31 December 2016		<u>16,000</u>

**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**18. Called up share capital**

Allotted, issued and fully paid:		Nominal value: £0.10	31.12.16	31.12.15
Number:	Class:		£	£
1,059	Ordinary		<u>106</u>	<u>106</u>

**19. Reserves**

	Retained earnings £
At 1 January 2016	861,329
Profit for the year	<u>453,856</u>
At 31 December 2016	<u>1,315,185</u>

**20. Pension commitments**

The company operates defined contribution schemes for the benefit of all employees eligible to participate. Contributions are charged annually to revenue and for the year these amounted to £70,313 (2015 - £65,509).

**21. Capital commitments**

	31.12.16	31.12.15
	£	£
Contracted but not provided for in the financial statements	<u>140,805</u>	<u>-</u>

**22. Related party disclosures**

**Entities with control, joint control or significant influence over the entity**

	31.12.16	31.12.15
	£	£
Management and asset rental charges incurred	211,150	315,600
Purchases	4,198	7,262
Sales	3,480	4,275
Amount due to related parties	<u>20,418</u>	<u>77,511</u>

**Key management personnel of the entity or its parent**

	31.12.16	31.12.15
	£	£
Rent	9,600	19,200
Remuneration	<u>198,104</u>	<u>136,051</u>

**Fellow subsidiary companies**

	31.12.16	31.12.15
	£	£
Sales	29,324	6,631
Purchases	819,712	648,261
Amount due to related parties	<u>20,248</u>	<u>69,616</u>

Unitech Industries Limited is regarded by the directors as being the company's ultimate parent company.

The financial statements are consolidated into the financial statements of Unitech Industries Limited and these can be obtained from Companies House.



**SCOMAC CATERING EQUIPMENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**23. Ultimate controlling party**

The controlling party is A M Imlah.