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**MAYCAST-NOKES PRECISION ENGINEERING
LIMITED**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 NOVEMBER 2017

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FOR THE YEAR ENDED 30 NOVEMBER 2017**

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**COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2017**

DIRECTORS:

Mr C.W. Richer
Mr S.T. Wallings
Mr D.R. Blower
Mrs L.A. Richer

SECRETARY:

Mrs L.A. Richer

REGISTERED OFFICE:

Factory Lane West
Halstead
Essex
CO9 1EX

REGISTERED NUMBER:

03113620 (England and Wales)

AUDITORS:

Haines Watts
Statutory Auditors
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

BANKERS:

Barclays Bank PLC
PO Box 3692
Witham
Essex
CM8 2AT

SOLICITORS:

Birkett Long LLP
1 Amphora Place
Sheepen Road
Colchester
Essex
CO3 3WG

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017**

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

PRINCIPAL ACTIVITY

The principal activity of the company during the year continued to be the manufacture and machining of high precision ferrous and non-ferrous castings.

REVIEW OF THE BUSINESS

As previously reported, 2017 saw a reduction in turnover which was a result of current contracts entering their final stages and development projects not entering into the production phase as quickly as expected. 2018 will see these projects now move into production in addition to new work won in 2017 from blue chip companies resulting in an increase in turnover.

The company's commitment to training will continue - currently 10% of the workforce are on training programmes. This will strengthen the company for the future and is the key to the growth of the company. The success of our training program is demonstrated by the fact we were the Regional Winner in 2017 for our Apprenticeship Scheme and in the National Final we were placed in the top three in the UK.

The investment plan for 2017/18 will see investment in new plant for the sand foundry, development of the gravity die foundry, the continuation of the refurbishment programme for the wax manufacturing equipment and facilities and new CNC machine tools in the machine shop.

In assessing the company's performance for the year, the directors have considered the following key performance indicators:

Turnover	£5,881k (2016: £6,842k)
Shareholders' funds	£4,294k (2016: £4,093k)
Current ratio	3.60 (2016: 2.81)

PRINCIPAL RISKS AND UNCERTAINTIES

The company has identified the principal risks and uncertainties facing it and has adopted policies and procedures to manage and minimise these risks. These include:

- Credit control procedures within the business involve stringent assessment of prospective customers and careful monitoring of larger and higher risk customers.
- Constant monitoring of suppliers for the price and quality of products.
- The production of monthly management information reports and accounts and regular director and manager meetings being held.
- The UK's exit from the EU has been identified as creating uncertainty but the company has contingencies in place.

SIGNED BY ORDER OF THE DIRECTORS:


.....
Mrs L.A. Richer - Secretary

Date: 27.03.2018

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

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

DIVIDENDS

The profit for the year, after taxation, amounted to £304,866. Particulars of dividends paid are detailed in note 10 to the financial statements.

GOING CONCERN

On the basis of the directors' assessment of the company's financial position, there is every expectation that the company will be able to continue in existence for the foreseeable future. Thus the annual financial statements are prepared on a going concern basis.

DIRECTORS

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

Mr C.W. Richer
Mr S.T. Wallings
Mr D.R. Blower
Mrs L.A. Richer

Other changes in directors holding office are as follows:

Mr P.J. Poulson - retired 31 March 2017

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). 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.

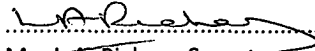
**MAYCAST-NOKES PRECISION ENGINEERING
LIMITED**

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

AUDITORS

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Mrs L A Richer - Secretary

Date: 27/03/2018

Opinion

We have audited the financial statements of Maycast-Nokes Precision Engineering Limited (the 'company') for the year ended 30 November 2017 on pages seven to twenty one. 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).

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.

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 profit 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 Report of the Directors, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MAYCAST-NOKES PRECISION ENGINEERING
LIMITED**

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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

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.

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.

Our 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.



MELINDA J SIMPSON (Senior Statutory Auditor)
for and on behalf of Haines Watts
Statutory Auditors
Town Wall House
Balkerne Hill
Colchester
CO3 3AD

Date: 24.3.2018

**MAYCAST-NOKES PRECISION ENGINEERING
LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Notes	2017 £	2016 £
TURNOVER	4	5,880,692	6,842,285
Cost of sales		<u>(4,067,460)</u>	<u>(4,506,308)</u>
GROSS PROFIT		1,813,232	2,335,977
Distribution costs		<u>(288,569)</u>	<u>(274,522)</u>
Administrative expenses		<u>(1,422,358)</u>	<u>(1,610,217)</u>
		102,305	451,238
Other operating income		<u>118,432</u>	<u>92,197</u>
OPERATING PROFIT	7	220,737	543,435
Interest receivable and similar income		<u>-</u>	<u>40</u>
		220,737	543,475
Interest payable and similar expenses	8	<u>(16,724)</u>	<u>(25,887)</u>
PROFIT BEFORE TAXATION		204,013	517,588
Tax on profit	9	<u>100,853</u>	<u>48,863</u>
PROFIT FOR THE FINANCIAL YEAR		304,866	566,451
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>304,866</u>	<u>566,451</u>

The notes form part of these financial statements

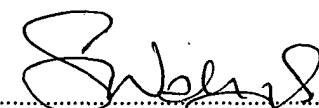
**MAYCAST-NOKES PRECISION ENGINEERING
LIMITED (REGISTERED NUMBER: 03113620)**

**BALANCE SHEET
30 NOVEMBER 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Intangible assets	11	-	-
Tangible assets	12	2,358,855	2,470,609
Investments	13	20,080	20,080
		<u>2,378,935</u>	<u>2,490,689</u>
CURRENT ASSETS			
Stocks	14	1,092,624	1,176,437
Debtors	15	2,068,731	2,162,659
Cash at bank and in hand		209,686	285,040
		<u>3,371,041</u>	<u>3,624,136</u>
CREDITORS			
Amounts falling due within one year	16	(935,995)	(1,288,230)
NET CURRENT ASSETS		<u>2,435,046</u>	<u>2,335,906</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,813,981</u>	<u>4,826,595</u>
CREDITORS			
Amounts falling due after more than one year	17	(434,845)	(638,217)
PROVISIONS FOR LIABILITIES	21	(85,201)	(95,789)
NET ASSETS		<u>4,293,935</u>	<u>4,092,589</u>
CAPITAL AND RESERVES			
Called up share capital	22	20,082	20,082
Revaluation reserve	23	497,707	497,707
Retained earnings	23	3,776,146	3,574,800
SHAREHOLDERS' FUNDS		<u>4,293,935</u>	<u>4,092,589</u>

The financial statements were approved by the Board of Directors on 27/03/2018 and were signed on its behalf by:


Mr C.W. Richer - Director


Mr S.T. Wallings - Director

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 December 2015	20,082	3,103,169	497,707	3,620,958
Changes in equity				
Dividends	-	(94,820)	-	(94,820)
Total comprehensive income	-	566,451	-	566,451
Balance at 30 November 2016	<u>20,082</u>	<u>3,574,800</u>	<u>497,707</u>	<u>4,092,589</u>
Changes in equity				
Dividends	-	(103,520)	-	(103,520)
Total comprehensive income	-	304,866	-	304,866
Balance at 30 November 2017	<u>20,082</u>	<u>3,776,146</u>	<u>497,707</u>	<u>4,293,935</u>

The notes form part of these financial statements

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

1. STATUTORY INFORMATION

Maycast-Nokes Precision Engineering 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.

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

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.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions 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 requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts. These financial statements therefore include information relating to the company as an individual entity and not about its group.

Significant judgements and estimates

Work in progress

The company makes an estimate of the degree of completion of work in progress and attributable overheads to include within work in progress. These assessments are carried out by the directors and management based on experience and historical and current information.

Revaluation of Freehold Property

The company valued its Freehold Property at fair value on 1 December 2014, the date of transition to FRS 102. The directors engaged independent valuation specialists to determine the fair value of Freehold Property and adopted the transitional provisions of FRS 102 and assumed this valuation as deemed cost.

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

3. ACCOUNTING POLICIES - continued

Turnover

Turnover shown in the income statement represents amounts receivable for goods and services provided during the year, net of VAT and trade discounts.

Income is recognised in the profit and loss account at the point that the goods are despatched from the company premises.

Amortisation

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

Goodwill - Three years

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Depreciation

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

Plant & Machinery	- 12% straight line
Fixtures & Fittings	- 25% straight line
Motor Vehicles	- 25% straight line

Based on a high residual value for the freehold property, depreciation is immaterial and hence not provided for.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on a standard cost basis including a mark up for attributable overheads based on normal level of activity. 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 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.

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

3. ACCOUNTING POLICIES - continued

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs

Contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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

4. 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:

	2017	2016
	£	£
United Kingdom	3,289,243	3,928,936
Europe	2,569,281	2,884,701
Rest of the World	22,168	28,648
	<u>5,880,692</u>	<u>6,842,285</u>

5. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	3,049,427	3,443,243
Social security costs	267,527	298,880
Other pension costs	172,528	151,498
	<u>3,489,482</u>	<u>3,893,621</u>

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

	2017	2016
Production	114	121
Selling and distribution	6	5
Administration	20	22
	<u>140</u>	<u>148</u>

6. DIRECTORS' EMOLUMENTS

	2017	2016
	£	£
Directors' remuneration	191,551	314,427
Directors' pension contributions to money purchase schemes	50,970	20,857

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

Money purchase schemes	<u>4</u>	<u>4</u>
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 NOVEMBER 2017**

7. OPERATING PROFIT

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

	2017	2016
	£	£
Depreciation - owned assets	116,060	129,629
Depreciation - assets on hire purchase contracts	40,196	31,766
Profit on disposal of fixed assets	(3,780)	(2,177)
Auditors' remuneration	14,900	12,215
Foreign exchange differences	<u>(118,432)</u>	<u>(92,197)</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank interest	9,439	14,570
Preference shares	2,344	5,335
Hire purchase	<u>4,941</u>	<u>5,982</u>
	<u>16,724</u>	<u>25,887</u>

9. TAXATION

Analysis of the tax credit

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

	2017	2016
	£	£
Current tax:		
UK corporation tax	(66,134)	(27,695)
Overprovision in prior year	<u>(24,131)</u>	<u>(40,350)</u>
Total current tax	(90,265)	(68,045)
Deferred tax	<u>(10,588)</u>	<u>19,182</u>
Tax on profit	<u>(100,853)</u>	<u>(48,863)</u>

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

9. TAXATION - continued

Reconciliation of total tax credit 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:

	2017	2016
	£	£
Profit before tax	<u>204,013</u>	<u>517,588</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	38,762	103,518
Effects of:		
Expenses not deductible for tax purposes	769	5,485
Capital allowances in excess of depreciation	-	(19,347)
Depreciation in excess of capital allowances	8,684	-
Over provision of tax in previous years	(24,131)	(40,350)
Enhanced relief on qualifying R & D expenditure	(134,873)	(127,856)
Marginal relief and rate differences	20,524	10,505
Deferred tax movement	<u>(10,588)</u>	<u>19,182</u>
Total tax credit	<u>(100,853)</u>	<u>(48,863)</u>

10. DIVIDENDS

	2017	2016
	£	£
'A' and 'B' Ordinary shares shares of £1 each		
Final	<u>103,520</u>	<u>94,820</u>

11. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 December 2016	
and 30 November 2017	<u>50,003</u>
AMORTISATION	
At 1 December 2016	
and 30 November 2017	<u>50,003</u>
NET BOOK VALUE	
At 30 November 2017	<u>-</u>
At 30 November 2016	<u>-</u>

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

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST / VALUATION					
At 1 December 2016	1,675,000	3,106,664	296,613	126,039	5,204,316
Additions	-	43,578	925	-	44,503
Disposals	-	(19,395)	-	-	(19,395)
At 30 November 2017	<u>1,675,000</u>	<u>3,130,847</u>	<u>297,538</u>	<u>126,039</u>	<u>5,229,424</u>
DEPRECIATION					
At 1 December 2016	-	2,361,212	278,532	93,963	2,733,707
Charge for year	-	131,275	7,378	17,603	156,256
Eliminated on disposal	-	(19,394)	-	-	(19,394)
At 30 November 2017	-	<u>2,473,093</u>	<u>285,910</u>	<u>111,566</u>	<u>2,870,569</u>
NET BOOK VALUE					
At 30 November 2017	<u>1,675,000</u>	<u>657,754</u>	<u>11,628</u>	<u>14,473</u>	<u>2,358,855</u>
At 30 November 2016	<u>1,675,000</u>	<u>745,452</u>	<u>18,081</u>	<u>32,076</u>	<u>2,470,609</u>

The original factory, included in freehold property, was valued on an open market basis in November 2014 by Kemsley LLP Property Consultants. The company has adopted the transitional provisions of FRS 102 in respect of this property and adopted this valuation as deemed cost at the date of transition.

If the freehold property had not been revalued it would have been included at the following historical cost:

	2017 £	2016 £
Historical cost	<u>1,593,937</u>	<u>1,593,937</u>

Hire Purchase Agreements

Included within the net book value of £2,358,855 is £186,449 (2016: £305,286) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £40,196 (2016: £31,766).

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

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 December 2016 and 30 November 2017	<u>20,080</u>
NET BOOK VALUE	
At 30 November 2017	<u>20,080</u>
At 30 November 2016	<u>20,080</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Nokes Foundry Limited (dormant)

Registered office:

Nature of business:

	% holding	2017 £	2016 £
Class of shares: Ordinary £1 Shares	100.00		
Aggregate capital and reserves		<u>20,000</u>	<u>20,000</u>

Maycast Precision Engineering Limited (dormant)

Registered office:

Nature of business:

	% holding	2017 £	2016 £
Class of shares: Ordinary £1 Shares	100.00		
Aggregate capital and reserves		<u>80</u>	<u>80</u>

14. STOCKS

	2017 £	2016 £
Stock - raw materials	221,066	198,259
Work-in-progress	<u>871,558</u>	<u>978,178</u>
	<u>1,092,624</u>	<u>1,176,437</u>

The value of stocks included in cost of sales for the year is £1,204,100 (2016: £1,363,623).

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

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	1,173,687	1,275,277
Amounts due from parent undertaking	750,290	750,290
Other debtors	66,164	27,725
Prepayments and accrued income	78,590	109,367
	<u>2,068,731</u>	<u>2,162,659</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans (see note 18)	113,667	113,667
Preference shares (see note 18)	32,356	97,068
Hire purchase contracts (see note 19)	57,349	85,860
Trade creditors	295,301	383,234
Amounts due to subsidiary undertakings	20,080	20,080
Other tax and social security	167,330	188,558
Other creditors	102,302	172,520
Directors' loan accounts	36,000	29,128
Accruals and deferred income	111,610	198,115
	<u>935,995</u>	<u>1,288,230</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans (see note 18)	407,307	520,974
Preference shares (see note 18)	-	32,356
Hire purchase contracts (see note 19)	27,538	84,887
	<u>434,845</u>	<u>638,217</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank loans	113,667	113,667
Preference shares	32,356	97,068
	<u>146,023</u>	<u>210,735</u>

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

18. LOANS - continued

	2017	2016
	£	£
Amounts falling due between one and two years:		
Bank loans	113,667	113,667
Preference shares	<u>-</u>	<u>32,356</u>
	<u>113,667</u>	<u>146,023</u>

Amounts falling due between two and five years:		
Bank loans	<u>293,640</u>	<u>341,001</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans	<u>-</u>	<u>66,306</u>

The bank loan is repayable by instalments of £9,472 per month and interest is charged on the outstanding balance at 1.56% above the base rate.

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:			2017	2016
Number:	Class:	Nominal value:	£	£
323,560	Preference Shares	£1	<u>32,356</u>	<u>129,424</u>

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
	£	£
Net obligations repayable:		
Within one year	57,349	85,860
Between one and five years	<u>27,538</u>	<u>84,887</u>
	<u>84,887</u>	<u>170,747</u>

20. SECURED DEBTS

The bank loan and overdraft are secured by way of fixed and floating charges over the company's property and assets.

Liabilities held under hire purchase are secured on the assets concerned.

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

21. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax		
Accelerated capital allowances	<u>85,201</u>	<u>95,789</u>
		Deferred tax £
Balance at 1 December 2016		95,789
Credit to Statement of Comprehensive Income during year		<u>(10,588)</u>
Balance at 30 November 2017		<u>85,201</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2017 £	2016 £
10,041	'A' and 'B' Ordinary shares	£1	10,041	10,041
10,041	'B' Ordinary shares	£1	<u>10,041</u>	<u>10,041</u>
			<u>20,082</u>	<u>20,082</u>

The 'A' Ordinary shares and 'B' Ordinary shares rank pari passu in all material respects.

The preference shares are redeemable at par at the company's discretion. They attract a cumulative dividend at a rate of 2.5% over Barclays Bank Plc base rate on the subscription price paid for the shares. These dividends are to be paid in priority over the dividends on ordinary shares. The holders of the preference shares are not entitled to receive notice of, or attend, or vote at any General Meeting of the Company. In the event of a winding up, the preference shares rank pari passu with the ordinary shares in the repayment of capital but are not entitled to participate in any residue of assets.

During the year the company has redeemed 97,068 (2016: 97,068) preference shares at par value.

23. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 December 2016	3,574,800	497,707	4,072,507
Profit for the year	304,866	-	304,866
Dividends	<u>(103,520)</u>	<u>-</u>	<u>(103,520)</u>
At 30 November 2017	<u>3,776,146</u>	<u>497,707</u>	<u>4,273,853</u>

24. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Maycast Nokes (Holdings) Limited, a company incorporated in England and Wales.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Maycast Nokes (Holdings) Limited. Copies of the group accounts can be obtained from Companies House.

25. CONTINGENT LIABILITIES

The company has provided a cross guarantee in respect of bank borrowings of the ultimate parent company, Maycast Nokes (Holdings) Limited. No liability is expected to arise in respect of this guarantee.

26. TRANSACTIONS WITH THE DIRECTORS

At the year end Mr C.W. Richer was due £27,360 (2016: £22,138) in respect of a loan. The loan was unsecured, interest free and repayable on demand.

At the year end Mrs L.A. Richer was due £8,640 (2016: £6,990) in respect of a loan. The loan was unsecured, interest free and repayable on demand.

27. 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.

During the year remuneration of £24,342 was paid to family members of the directors.

In addition to the directors, whose remuneration is disclosed in note 6 to these financial statements, remuneration paid to other key management personnel totalled £199,523.

28. ULTIMATE PARENT COMPANY

The company was under the control of Mr C.W. Richer throughout the current and preceding period by virtue of his majority shareholding in the parent company.

29. PENSIONS

At the year end, pension contributions of £12,560 (2016 : £13,326) remained outstanding.