

Calder Group Limited

Annual Report and Financial Statements

Year ended 31 May 2017

Company registration number 03491249



CONTENTS

3	Directors and advisors
4	Strategic Report
5	Directors' Report
7	Directors' Responsibilities Statement
8	Independent Auditors' Report to the members of Calder Group Limited
10	Income Statement
11	Balance Sheet
12	Statement of Cash Flows
13	Statement of Changes in Equity
14	Statement of Significant Accounting Policies
17	Notes to the Financial Statements

DIRECTORS AND ADVISORS

Directors

W Buist-Wells
A T Holt (appointed 1st November 2016)
R B Travers
G M Andrews

Company Secretary

G M Andrews

Registered office

c/o Calder Industrial Materials Limited
Jupiter Drive
Chester West Employment Park
Chester
CH1 4EX

Bankers and financial providers

Wells Fargo Capital Finance Limited
4th Floor
90 Long Acre
London
WC2E 9RA

Royal Bank of Scotland plc
Corporate Banking London
Ninth Floor
280 Bishopsgate
London
EC2M 4RB

Solicitors

DLA Piper UK LLP
Victoria Square House
Victoria Square
Birmingham
B2 4DL

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
8 Princes Parade
St Nicholas Place
Liverpool
Merseyside
L3 1QJ

STRATEGIC REPORT

The Directors present their Strategic Report for the year ended 31 May 2017. The company's registered number is 03491249.

Principal activities

As the Company is a holding company with investments as laid out in note 8 of the financial statements, its source of income is derived from its investments. It incurs operating central costs in its own right and therefore makes an operating loss year on year.

Review of the year and future developments

As the Company is a holding and financing Company, its source of income is derived from its investments and the re-charge of certain costs to its operating subsidiaries. The principal costs of the Company relate to its activities as a head office function. The Company is dependent on the earnings and cash flows of its operating subsidiaries, and the ability of its subsidiaries to pay upstream dividends or to repay funds due the Company.

The Directors constantly monitor the position of the Company and during the year have decided to impair the full investment value of the holding in one of its wholly owned subsidiaries, Helander Precision Engineering Ltd. After reported losses resulting in £2.9m of negative equity in FY17 it was deemed appropriate to impair the full investment value of £7m, this has been reported in exceptional items in the income statement.

The Directors are confident that the other operating businesses have sufficient investment earnings from its dividend potential and other planning opportunities to ensure the Company will have positive reserves in future accounting periods.

Key Performance Indicators (KPIs)

The Directors are of the view that, as the Company is a holding company, key performance indicators are not required to evaluate the performance of the business. The Directors review cost levels (as recorded in the income statement) on a regular basis.

Non-financial risk management

As a subsidiary of Calder Group Holdings Limited in the United Kingdom further details of Group policies in relation to external non-financial risks can be found in the Annual Report and Financial Statements of Calder Group Holdings Limited.

On behalf of the Board



Gregory Mark Andrews
Director

6^M

February 2018

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the Company together with the audited financial statements for the year ended 31 May 2017.

Background

Calder Group Limited is a Company limited by shares, incorporated and domiciled in the United Kingdom. Its Company number is 03491249.

Its registered office is: c/o Calder Industrial Materials Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

Principal activities and business overview

The Company's principal activity is the holding of investments. The review of the year and future prospects are set out in the Strategic Report on page 4.

The Company has disposed of its shares in Aquila Nuclear France SAS, a subsidiary of Aquila Nuclear Engineering Limited, on 1 July 2016.

Results and dividends

The results of the Company for the financial year are set out in the Income Statement on page 10.

The review of the business and future developments are set out within the Strategic Report on page 4.

During the year, the Company paid a full and final dividend of £873k (2016: £2,226k). The non-cash dividend was settled via the intercompany account.

Directors

The Directors, who served during the year, and up to the date of signing of the financial statements, were as follows:

- W Buist-Wells
- R B Travers
- G M Andrews
- A T Holt (appointed 1 November 2016)

None of the Directors have any material interests in contracts of the Company.

Political donations

The Company has made no political donations during the year (2016: Nil).

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

DIRECTORS' REPORT *(continued)*

Employee consultation

The Company places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings and team briefings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Principal risks and uncertainties

Details are set out in the Strategic Report on page 4.

Going concern

The Company is expected to continue to generate dividend income for the foreseeable future that will satisfy the operating overhead costs. Calder Group Holdings Limited continues to generate positive EBITDA and has maintained a level of funding headroom more than €3m throughout and after the accounting period. The Group has not breached its bank covenants and nor has it at any time failed to meet its liabilities as they have fallen due. The Group has renegotiated committed funding facilities with Wells Fargo Capital Finance until August 2021 following an extension of the existing agreement. The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

Political Donations

The Company did not make any political donations (2016 £Nil) or incur any political expenditure during the year (2016 £Nil).

Statement on disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as each Director is aware, there is no relevant audit information 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.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution to reappoint the Auditors, PricewaterhouseCoopers LLP, will be proposed at the Annual General Meeting.

On behalf of the Board



Gregory Mark Andrews
Director

16th February 2018

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The directors 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.

On behalf of the Board



Gregory Mark Andrews
Director

16th February 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CALDER GROUP LIMITED

Report on the financial statements

Our opinion

In our opinion, Calder Group Limited financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 May 2017 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 May 2017;
- the Income Statement for the year then ended;
- the Statement of Cash flows for the year then ended;
- the Statement of Changes in Equity for the year then ended;
- the Statement of Significant Accounting Policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union and applicable law.

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CALDER GROUP LIMITED (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.



Jonathan Studholme (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Liverpool

16 February 2018

Calder Group Limited
Annual Report and Financial Statements 2017

INCOME STATEMENT

Year ended 31 May 2017

	Note	2017 £000	2016 £000
Administration expenses		(497)	(723)
Operating loss before exceptional items		(497)	(723)
Exceptional operating items	1	(6,959)	301
Operating loss after exceptional items		(7,456)	(422)
Dividend income		3,493	2,226
Financial income	2	1,559	487
Financial costs	3	(837)	(795)
(Loss)/ Profit before taxation		(3,241)	1,496
Tax	5	-	-
(Loss)/Profit attributable to equity holders of the Parent Company		(3,241)	1,496

The Company has no other comprehensive income or expense for the year or the prior year except as reported in the above income statement and therefore no Statement of Other Comprehensive Income has been presented.

All profits relate to continuing operations.

The notes on pages 14 to 23 are an integral part of these financial statements.

Calder Group Limited
Annual Report and Financial Statements 2017

BALANCE SHEET

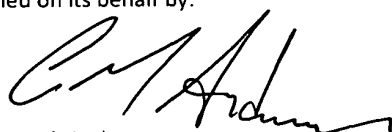
AS at 31 May 2016

	Note	2017 £000	2016 £000
Assets			
Property, plant and equipment	7	-	-
Investments	8	20,679	27,638
TOTAL NON-CURRENT ASSETS		20,679	27,638
Other assets		13	-
Trade and other receivables	9	31,929	27,895
Financial assets	10	2,640	-
Cash and cash equivalents	10	2	29
TOTAL CURRENT ASSETS		34,584	27,924
TOTAL ASSETS		55,263	55,562
Provisions	12	(25)	(25)
TOTAL NON-CURRENT LIABILITIES		(25)	(25)
Trade and other payables	11	(53,478)	(49,663)
TOTAL CURRENT LIABILITIES		(53,478)	(49,663)
TOTAL LIABILITIES		(53,503)	(49,688)
NET ASSETS		1,760	5,874
Share capital	14	1,348	1,348
Retained earnings		412	4,526
SHAREHOLDER'S FUNDS		1,760	5,874

The notes on pages 14 to 23 are an integral part of these financial statements.

The financial statements on pages 10 to 23 were approved by the Board of Directors on 16th February 2018

and signed on its behalf by:



Gregory Mark Andrews
 Director
 Calder Group Limited
 Company registration number 03491249

STATEMENT OF CASH FLOWS

Year ended 31 May 2017

	2017 £000	2016 £000
Cash flows from operating activities		
(Loss)/profit before tax	(3,241)	1,496
Adjustments for:		
Non-cash dividend income	(3,493)	(2,226)
Impairment of Investment	6,959	-
Foreign exchange on funding balances	(1,246)	-
Net financial (income)/costs	(722)	308
Loss from operating activities	(1,743)	(422)
Increase in trade and other receivables	(4,533)	(448)
Increase in trade and other payables	6,437	707
Net cash generated from/(used in) operations	161	(163)
Cash flows from financing activities		
Interest paid	(188)	(157)
Net cash used in financing activities	(188)	(157)
Net decrease in cash and cash equivalents	(27)	(320)
Cash and cash equivalents at the beginning of the year	29	349
Cash and cash equivalents at the end of the year	2	29

The notes on pages 14 to 23 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 May 2017

	Share capital £000	Retained earnings £000	Total £000
Balance at 31 May 2015	1,348	5,256	6,604
Profit for the year	-	1,496	1,496
Total comprehensive income for the year	-	1,496	1,496
Dividend paid	-	(2,226)	(2,226)
Transactions with Shareholders recognised directly to Shareholder's funds	-	(2,226)	(2,226)
Balance at 31 May 2016	1,348	4,526	5,874
Loss for the year	-	(3,241)	(3,241)
Total comprehensive income for the year	-	(3,241)	(3,241)
Dividend paid	-	(873)	(873)
Transactions with Shareholders recognised directly to Shareholder's funds	-	(873)	(873)
Balance at 31 May 2017	1,348	412	1,760

The notes on pages 14 to 23 are an integral part of these financial statements.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The principal accounting policies for the Company applied in the preparation of this financial report are set out below. These policies have been consistently applied to the information presented, unless otherwise stated.

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and in accordance with the Companies Act 2006 as applicable to companies using IFRS.

The financial statements of the Calder Group Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

The accounting policies set out below have been applied consistently to all periods presented in this report.

Financial costs

Finance costs of debt are recognised in the income statement over the anticipated term of the associated financing instrument at a constant rate on the carrying amount.

Exceptional items

Income and costs which are material and which are not expected to re-occur or which do not arise in the ordinary course of trading and financing are classified as exceptional items.

Dividends

Dividends to holders of equity instruments declared after the balance sheet date are not recognised as a liability as at the balance sheet date. Final dividend distributions to the Company's Shareholders are recognised in the Company's financial statements in the period in which the dividends are approved by the Company's Shareholders.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and provision for impairment in value. Cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

- Computer equipment – 3 years.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows of the asset, discounted, where material, at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Income Statement within 'operating expenses' should they arise. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'operating expenses' in the Income Statement.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Fixed asset investments are shown at cost less provision for impairment in value following a review of the carrying value of each investment at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are non-interest bearing.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Taxation

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Employee benefits

For defined contribution plans, contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Consolidated financial statements

The Company meets all of the conditions of IFRS 10:4(a) and has not presented consolidated financial statements.

The ultimate UK parent company, Calder Group Holdings Limited, has presented consolidated financial statements that comply with IFRSs, in which subsidiaries are consolidated and they are publicly available from its registered office, Jupiter Drive, Chester West Employment Park, Chester, Cheshire, United Kingdom, CH1 4EX.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern

The Company's business activities, together with the factors likely to affect its future development and position are set out in the Strategic Report on page 4. The factors pertinent to the going concern of the business are also set out in the Director's Report on page 6.

The Directors consider that the Group has adequate resources to remain in operation for the foreseeable future. They have therefore, adopted the going concern basis for preparation of the financial statements.

Critical accounting estimates and assumptions

Given the simplistic nature of this entity, the Directors are of the view that there are not critical accounting estimates and assumptions relevant for this Company.

Interpretations and amendments to published standards effective for the year ended 31 May 2017

New and amended standards adopted by the Company:

- Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets', on depreciation and amortisation
- Amendments to IAS 27, 'Separate financial statements' on the equity method
- Amendment to IAS 1, 'Presentation of financial statements' on the disclosure initiative (effective for annual periods beginning on or after 1 January 2016);

The adoption of these accounting standards did not have a material impact on the Company's financial statements. Standards amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

The following standards and amendments to existing standards have been published and are mandatory for the Company's financial periods beginning on or after 1 June 2017 or later periods, but the Company has not early adopted them:

- IAS Amendments to IAS 7, Statement of cash flows on disclosure initiative (effective for annual periods beginning on or after 1 January 2017);
- Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses (effective for annual periods beginning on or after 1 January 2017);
- IFRS 9 'Financial instruments' (effective for annual periods beginning on or after 1 January 2018);
- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 January 2018);
- Amendment to IFRS 15, 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 January 2018);
- IFRIC 22 'Foreign currency transactions and advance consideration' (effective for annual periods beginning on or after 1 January 2018);
- IFRS 16 'Leases' (effective for annual periods beginning on or after 1 January 2019).

NOTES TO THE FINANCIAL STATEMENTS

(1) Profit on ordinary activities before taxation

Is stated after charging/(crediting):

	2017 £000	2016 £000
Auditors' remuneration – audit fees	40	37
Exceptional items in arriving at operating profit (see below)	6,959	(301)

Auditors' remuneration for Calder Group Limited is £10k (2016: £10k) with the balance relating to charges taken on behalf of other non-operating group companies.

The Company had an exceptional charge to the income statement relating to the impairment of investment in one of its subsidiaries £6,959 (2016: £(301k)). The prior year exceptional items include amounts arising from the reversal of a provision for costs associated with a share buyback previously provided in the financial statements for year ended 31 May 2014.

(2) Financial income

	2017 £000	2016 £000
Bank interest receivable and similar income	-	218
From Group companies and similar income	313	269
Foreign exchange arising on funding balances	1,246	-
	1,559	487

(3) Financial costs

	2017 £000	2016 £000
Interest payable on bank loans, overdrafts and similar	188	158
To Group companies and similar	267	299
Amortisation of issue costs	382	338
	837	795

NOTES TO THE FINANCIAL STATEMENTS (continued)

(4) Directors and employees

	2017	2016
	£000	£000
Employee Costs:		
Wages and salaries	468	534
Social security costs	59	60
Other pension costs	58	66
	585	660

	2017	2016
	Number	Number
The average number of people employed:		
Administrative and selling	5	5
	5	5

	2017	2016
	£000	£000
Director's Remuneration:		
Aggregate directors' emoluments (see below)	379	411
Aggregate pension contributions of the directors	42	46
	421	457
Emoluments of the highest paid director	204	202
Pension contributions of the highest paid director	22	26
	226	228

The Company accrues for retirement benefits in respect of qualifying services under a defined contribution scheme for two directors (2016: two). No directors accrue benefits under defined benefit schemes (2016: nil).

Included in the above aggregate director's emoluments is a total amount of £nil (2016: £nil) paid to a director as compensation for loss of office.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(5) Tax on profit on ordinary activities

	2017 £000	2016 £000
Current tax charge	-	-
Current tax charge	-	-
Deferred tax charge	-	-
Deferred tax charge	-	-
Total tax on ordinary activities before taxation	-	-

The tax assessed for the year is higher (2016: lower) than the standard rate of corporation tax in the UK of 19.83% (2016: 20%).

The differences between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax are as follows:

	2017 £000	2016 £000
(Loss) / profit on ordinary activities before taxation	(3,241)	1,496
Tax on loss on ordinary activities at standard UK corporation tax rate of 19.83 % (2016: 20%)	(643)	299
Effects of:		
- Expenses not deductible for tax purposes	1,381	16
- Non-taxable dividend income	(693)	(445)
- Amounts not recognised	(45)	130
Total tax charge	-	-

Tax Rate Changes

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and 18% from 1 April 2020 had already been substantively enacted on 26 October 2015. As the change to 17% had not been substantively enacted at the balance sheet date, its effect is not included in these financial statements. The overall effect of that change if it had been applied to the deferred tax balance at the balance sheet date would not be material.

NOTES TO THE FINANCIAL STATEMENTS (continued)

(6) Dividends

	2017 £000	2016 £000
Equity – ordinary £2.59 per share (2016: £1.65 per share)	3,493	2,226
	3,493	2,226

(7) Property, plant and equipment

	Computer Equipment £000	Total £000
Cost		
At 1 June 2015	64	64
Additions	-	-
At 31 May 2016	64	64
Additions	-	-
At 31 May 2017	64	64
Accumulated depreciation and impairment		
At 1 June 2015	64	64
Charge	-	-
At 31 May 2016	64	64
Charge	-	-
At 31 May 2017	64	64
Carrying amount		
At 31 May 2015	-	-
At 31 May 2016	-	-
At 31 May 2017	-	-

(8) Investments

	2017 £000	2016 £000
At beginning of the year	27,638	27,638
Additions	-	-
Impairment	(6,959)	-
Disposals	-	-
At end of the year	20,679	27,638

The Directors believe that the carrying value of investments is supported by their underlying net assets.

NOTES TO THE FINANCIAL STATEMENTS

(8) Investments (continued)

Country of incorporation	Registered Address	Company	Ownership %		Principal activity
			Direct	Indirect	
England & Wales	c/o Calder Industrial Materials Limited, Chester West Employment Park, Chester, Cheshire CH1 4EX	Calder International Holdings Limited	100		Holding company
		Calder Industrial Materials Limited	100		Lead manufacturer
		FSLP Limited		100	Lead distributor
	Kennet Close, Tewkesbury Business Park, Northway Lane, Tewkesbury Glos, GL20 8HF	Helander Precision Engineering Limited	100		Precision engineering
	14 Westland Square, Dewsbury Road, Leeds, West Yorkshire, LS11 5UB	Leeds Bronze Engineering Limited	100		Precision engineering
	Unit 4a Castlewood Business Park, Farmwell Lane, Sutton In Ashfield, Nottinghamshire, NG17 1BX	Midland Aerospace Limited	100		Precision engineering
	Unit 17 Hazeley Enterprise Park, Hazeley Road, Twyford, Winchester, SO21 1QA	Aquila Nuclear Engineering Limited	100		Engineering consultancy
France	13 rue Pierre Dravet, 13368 Marseille Cedex 11, France	Calder France SAS		100	Holding company
		D'Huart Industrie SAS		100	Lead manufacturer
		Anciens Etablissements Groc EURL		100	Dormant
Germany	Bruchfeld 52, DA47809 Krefeld, Germany	Röhr + Stolberg Holding GmbH		100	Holding company
		Röhr + Stolberg GmbH		100	Lead manufacturer
Netherlands	62 Delftweg, 2280 BA Rijswijk, Holland	Uzimet BV		100	Lead refiner and manufacturer
Ireland	Station Road, Clondalkin, Dublin 22, Ireland	Metal Processors Investments Limited		100	Holding company
		Metal Processors Limited		100	Lead refiner and manufacturer
		The Mining Company of Ireland and Strachan Brothers Limited		100	Lead refiner and manufacturer
		Metal Refiners Limited		100	Dormant

NOTES TO THE FINANCIAL STATEMENTS

(9) Trade and other receivables

	2017 £000	2016 £000
Amounts owed by group companies	31,873	27,378
Other receivables	44	506
Prepayments and accrued income	12	11
	31,929	27,895

Amounts owed by Group companies are to be repayable on demand with the exception of trading balances which are subject to trading terms of 30 days. Included within these amounts are balances which attract interest at a rate of 3% above Euribor.

(10) Cash and cash equivalents

	2017 £000	2016 £000
Denominated in Euro – Royal Bank of Scotland (Rating A-2)	1	10
Denominated in Sterling – Royal Bank of Scotland (Rating A-2)	1	19
Total Cash	2	29
Cash Equivalent	2,640	-
Total Cash and cash Equivalents	2,642	29

The fair value of cash and cash equivalents approximate to their carrying amount.

(11) Trade and other payables

	2017 £000	2016 £000
Amounts owed to group companies	53,256	49,480
Other taxation and social security liabilities	92	-
Other payables	10	-
Accruals	120	183
	53,478	49,663

Amounts owed to Group companies are to be repayable on demand with the exception of trading balances which are subject to trading terms of 30 days. Included within these amounts are balances which attract interest at a rate of 3% above Euribor.

The fair value of trade and other payables approximate to their carrying amount.

(12) Provisions

	Dilapidations £000	Total £000
At 31 May 2016 and 2017	(25)	(25)

Dilapidations will become utilised when the property to which they relate become vacant.

NOTES TO THE FINANCIAL STATEMENTS

(13) Contingent Liability

In the previous year, the company released a provision for an exceptional item which arose in relation to additional costs associated with a share buyback previously provided in the financial statements for year ended 31 May 2014, as the payment is no longer probable. However, the company recognises that there remains a possibility that this liability will become payable in a future period, see disclosure in note 1.

(14) Share capital

	2017 £	2016 £
<i>Authorised, allotted, called up and fully paid</i>		
1,347,600 ordinary shares of £1 each	1,347,600	1,347,600
500 A ordinary shares of £1 each	-	-
	1,347,600	1,347,600

The Ordinary Shares rank parri passu.

(15) Guarantees and other financial commitments

Group guarantees

All Group companies have given guarantees in respect of the bank and other loans taken out by certain Group companies. At 31 May 2017 the total amount guaranteed was £18.0m (2016: £14.5m).

(16) Retirement benefit obligations

Defined Contribution Scheme

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in independently administered funds. The pension cost charge disclosed in note 4 represents contributions payable by the Company to the fund.

(17) Related parties and controlling interests

The Directors regard Calder Holdings Limited as the immediate parent company.

The ultimate UK parent company for the purposes of consolidation for the period ended 31 May 2017 is Calder Group Holdings Limited.

The Calder Group Holdings Limited financial statements are publicly available from its registered office c/o Calder Industrial Materials Limited, Jupiter Drive, Chester West Employment Park, Chester, CH1 4EX.

Balances with Other Group undertakings in the year:

	2017 £000	2016 £000
Amounts due (to)/from subsidiaries	(36,085)	(33,182)
Amounts due (to) /from parent company	(17,171)	(16,298)
Amounts due (to)/from Other Group Companies	31,873	27,378