

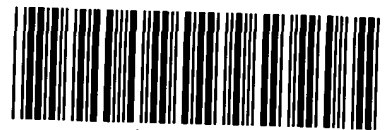
# Teague Precision Chokes Ltd

Registered number: 04484322

## Abbreviated accounts

For the year ended 30 September 2016

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**TEAGUE PRECISION CHOKES LTD**

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**INDEPENDENT AUDITOR'S REPORT TO TEAGUE PRECISION CHOKES LTD  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on page 11 together with the financial statements of Teague Precision Chokes Ltd for the year ended 30 September 2016 prepared under section 396 of the Companies Act 2006.

This report is made solely to the Company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in a special Auditor's 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006.

It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you. This report, including our opinion, has been prepared for and only for the Company's members as a body. Our work has been undertaken so that we might state to the Company's members those matters we are required to state to them in this 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 members as a body for our work, for this report, or for the opinions we have formed.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

The scope of our work for the purpose of this report does not include examining events occurring after the date of our Auditor's report on the full financial statements.

**Opinion**

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Ian Holder (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

45 Church Street  
Birmingham  
B3 2RT

Date: 16 March 2017

**TEAGUE PRECISION CHOKES LTD**  
**REGISTERED NUMBER: 04484322**

**ABBREVIATED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2016**

	Note	2016 £	2016 £	2015 £	2015 £
<b>Fixed assets</b>					
Intangible assets	5		10,202		15,776
Tangible assets	6		202,232		34,348
			<u>212,434</u>		<u>50,124</u>
<b>Current assets</b>					
Stocks		57,424		44,991	
Debtors		435,130		426,312	
Cash at bank and in hand	7	232		18,209	
		<u>492,786</u>		<u>489,512</u>	
Creditors: amounts falling due within one year	8	(163,600)		(73,836)	
<b>Net current assets</b>			<u>329,186</u>		<u>415,676</u>
<b>Total assets less current liabilities</b>			<u>541,620</u>		<u>465,800</u>
Creditors: amounts falling due after more than one year			(102,939)		-
<b>Provisions for liabilities</b>					
Deferred tax	11	(30,145)		(5,287)	
			<u>(30,145)</u>		<u>(5,287)</u>
<b>Net assets</b>			<u><u>408,536</u></u>		<u><u>460,513</u></u>
<b>Capital and reserves</b>					
Called up share capital	12		100		100
Profit and loss account			408,436		460,413
			<u>408,536</u>		<u>460,513</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 9th March 2017.



**Mr T Zjalic**

Director

The notes on pages 3 to 11 form part of these financial statements.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**1. General information**

Teague Precision Chokes Limited (the Company) is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business are as disclosed on the company information page of these financial statements.

The principal activity of the Company is the design, manufacture and sale of choke systems and choke tubes.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The full financial statements, from which these abbreviated financial statements have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006.

This is the first year the Company has prepared its financial statements in accordance with FRS102, accordingly the financial information as at 1 October 2014 (being the date of transition) and for the year ended 30 September 2015 have been restated for material adjustments on adoption of FRS102 in the current year. Information on the impact of first-time adoption of FRS 102 is given in note 14.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 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 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Westley Richards Holdings Limited as at 30 September 2016 and these financial statements may be obtained from the registered office.

The following principal accounting policies have been applied:

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**2. Accounting policies (continued)**

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method or reducing balance method where appropriate.

Depreciation is provided on the following basis:

Plant & machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Fixtures & fittings	- 25% on cost
Computer equipment	- 25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**2. Accounting policies (continued)**

**2.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**2. Accounting policies (continued)**

**2.11 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.12 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**2. Accounting policies (continued)**

**2.14 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regards, the Directors believe that the critical accounting policies where judgements or estimations are necessarily applied are summarised below:

**Depreciation and residual values**

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.



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**TEAGUE PRECISION CHOKES LTD**

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**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**4. Auditor's remuneration**

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	2,433	2,385
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
All other services	1,400	1,400
	1,400	1,400

**5. Intangible assets**

	£
<b>Cost</b>	
At 1 October 2015	22,300
At 30 September 2016	22,300
<b>Amortisation</b>	
At 1 October 2015	6,524
Charge for the year	5,575
At 30 September 2016	12,099
<b>Net book value</b>	
At 30 September 2016	10,201
At 30 September 2015	15,776

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**TEAGUE PRECISION CHOKES LTD**

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**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**6. Tangible fixed assets**

	£
<b>Cost or valuation</b>	
At 1 October 2015	92,573
Additions	225,793
At 30 September 2016	<u>318,366</u>
<b>Depreciation</b>	
At 1 October 2015	58,224
Charge for period on owned assets	57,908
At 30 September 2016	<u>116,132</u>
<b>Net book value</b>	
At 30 September 2016	<u>202,234</u>
At 30 September 2015	<u>34,348</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Plant and machinery	132,000	-
	<u>132,000</u>	<u>-</u>

**7. Cash and cash equivalents**

	2016 £	2015 £
Cash at bank and in hand	233	18,210
Less: bank overdrafts	(73,804)	-
	<u>(73,571)</u>	<u>18,210</u>

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**TEAGUE PRECISION CHOKES LTD**

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**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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**8. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Bank overdrafts	73,804	-
Trade creditors	27,384	28,667
Amounts owed to group undertakings	3,096	29,901
Taxation and social security	21,231	5,055
Obligations under finance lease and hire purchase contracts	29,948	-
Accruals and deferred income	8,137	10,213
	<u>163,600</u>	<u>73,836</u>

**9. Creditors: Amounts falling due after more than one year**

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	102,939	-
	<u>102,939</u>	<u>-</u>

**Secured loans**

Obligations under finance leases and hire purchase contracts are secured by related assets.

**10. Hire purchase and finance leases**

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	29,948	-
Between 1-2 years	31,253	-
Between 2-5 years	71,686	-
	<u>132,887</u>	<u>-</u>

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TEAGUE PRECISION CHOKES LTD

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NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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11. Deferred taxation

	2016 £	2015 £
At beginning of year	(5,287)	(2,700)
Charged to the profit or loss	(24,858)	(2,587)
<b>At end of year</b>	<b>(30,145)</b>	<b>(5,287)</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(30,195)	(5,287)
Short term timing differences	50	-
	<b>(30,145)</b>	<b>(5,287)</b>

12. Share capital

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

13. Controlling party

The company's ultimate parent undertaking is Westley Richards (Holdings) Limited, a company incorporated in England and Wales.

The company is under the control of the Clode family trust who own 52% of the ultimate parent company Westley Richards (Holdings) Limited.

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.