

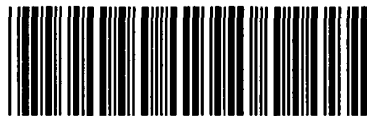
Company Registration No. 5714726

**ENGINEERING CONSTRUCTION
TRAINING LIMITED**

Report and Financial Statements

Year ended 31 March 2017

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ENGINEERING CONSTRUCTION TRAINING LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

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ENGINEERING CONSTRUCTION TRAINING LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

A D Dunsmore

REGISTERED OFFICE

Severs House
Dalton Airfield Industrial Estate
Dalton
Thirsk
North Yorkshire
YO7 3JN

BANKER

National Australia Bank Ltd
(Yorkshire Bank)
94 Albion Street
Leeds
LS1 6AG

AUDITOR

KPMG LLP
Chartered Accountants
1 Sovereign Square
Leeds
LS1 4DA

ENGINEERING CONSTRUCTION TRAINING LIMITED

DIRECTOR'S REPORT

The director presents his report and the audited financial statements for Engineering Construction Training Limited ("the Company") for the year ended 31 March 2017. The Company is a wholly owned subsidiary of Severfield plc (together with its subsidiaries "the Group"). These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and in accordance with applicable accounting standards.

The director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. Furthermore, a strategic report as required by section 414 of the Companies Act 2006 is not presented under the small companies exemption.

ACTIVITIES

The Company was established to undertake training within the construction industry, primarily for operatives employed by the Group and has traded since 2009.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

In prior years, the Company's turnover was derived from the training of construction personnel, both internally and externally. Following the re-organisation of the Group in the period ended 31 March 2013, the activities of the Company have been scaled down and during the year ended 31 March 2015, the Company ceased to trade. Following the year end, the directors have taken the decision to proceed with striking off the Company. There is no material difference between the carrying values of the Company's assets and liabilities and their recoverable amounts.

DIVIDENDS AND TRANSFERS TO RESERVES

The results for the year are set out in the profit and loss account on page 7. The director does not recommend the payment of a dividend (2016: £nil). A retained loss of £13 (2016: profit of £62) has been transferred from reserves.

DIRECTORS

The composition of the board is noted on page 1. Unless stated the director served throughout the year and subsequently.

TREASURY

The Company's treasury operates procedures designed to reduce or eliminate financial risk. The policies are approved by the board and the use of financial instruments is strictly controlled.

The Company's principal financial instruments comprise cash and various items, such as trade debtors and trade creditors that arise directly from its operations.

GOING CONCERN

In accordance with FRS 101, the directors have prepared the accounts on a basis other than going concern since the trading activities have ceased and following the year end, the directors have taken the decision to proceed with striking off the Company.

ENGINEERING CONSTRUCTION TRAINING LIMITED

DIRECTOR'S REPORT

AUDITOR

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the 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 auditor is aware of that information.

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

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the board of directors
and signed on behalf of the board



A D Dunsmore
Director
24 October 2017

ENGINEERING CONSTRUCTION TRAINING LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGINEERING CONSTRUCTION TRAINING LIMITED

We have audited the financial statements of Engineering Construction Training Limited for the year ended 31 March 2017 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework. These financial statements have not been prepared on a going concern basis for the reasons set out in note 1 of the financial statements.

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 an 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 and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditor

As explained more fully in the director's responsibilities statement set out on page 4, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the the director's report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the the director's report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENGINEERING CONSTRUCTION TRAINING LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the director was not entitled to take advantage of the small companies exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Chris Butt (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
24 October 2017

ENGINEERING CONSTRUCTION TRAINING LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 March 2017

	Note	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Tax on profit	4	(13)	62
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(13)</u>	<u>62</u>

All activities relate to discontinued operations.

There are no recognised gains and losses for the current and preceding financial years other than as stated in the profit and loss account.

The notes on pages 10 to 13 form an integral part of the financial statements.

ENGINEERING CONSTRUCTION TRAINING LIMITED

BALANCE SHEET

31 March 2017

	Note	31 March 2017 £	31 March 2016 £
CURRENT ASSETS			
Debtors	5	23,270	17,139
Cash at bank		-	6,144
		<u>23,270</u>	<u>23,283</u>
CREDITORS: amounts falling due within one year	6	<u>(269,118)</u>	<u>(269,118)</u>
NET LIABILITIES		<u>(245,848)</u>	<u>(245,835)</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Profit and loss account		<u>(245,948)</u>	<u>(245,935)</u>
TOTAL SHAREHOLDERS' DEFICIT		<u>(245,848)</u>	<u>(245,835)</u>

The financial statements of the Company (registered number 5714726) were approved by the board of directors on 24 October 2017.

Signed on behalf of the board of directors



A D Dunsmore
Director

ENGINEERING CONSTRUCTION TRAINING LIMITED

STATEMENT OF CHANGES IN EQUITY 31 March 2017

	Share capital £	Profit and loss account £	Total £
AT 1 APRIL 2015	100	(245,997)	(245,897)
Profit for the year (attributable to equity holders of the parent)	-	62	62
	<hr/>	<hr/>	<hr/>
AT 31 MARCH 2016	100	(245,935)	(245,835)
Loss for the year (attributable to equity holders of the parent)	-	(13)	(13)
	<hr/>	<hr/>	<hr/>
AT 31 MARCH 2017	100	(245,948)	(245,848)

ENGINEERING CONSTRUCTION TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

1. ACCOUNTING POLICIES

General information

Engineering Construction Training Limited is a company incorporated and domiciled in England and Wales. The address of the registered office is given on page 1. The Company's financial statements are presented in Sterling.

Basis of accounting

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101') and in accordance with applicable accounting standards.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU, but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The following disclosure exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 'Financial instruments: disclosures'
- Paragraphs 10(d), 10(f) and 134-136 of IAS 1 'Presentation of financial statements'
- IAS 7 'Statement of cash flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'
- The requirements of IAS 24 'Related party disclosures' to present disclosure of key management personnel compensation, and to disclose related party transactions entered into between two or more members of a group.
- Comparative period reconciliations for share capital and tangible fixed assets.
- Disclosures in respect of capital management.
- The effect of new but not yet effective IFRSs.
- Disclosures in respect of the compensation of key management personnel.

Where relevant, equivalent disclosures have been given in the Group financial statements of Severfield plc, which are available to the public and can be obtained as set out in note 11.

Accounting convention

The financial statements are prepared under the historical cost convention. In accordance with FRS 101, the directors have prepared the accounts on a basis other than going concern since the trading activities have ceased and following the year end, the directors have taken the decision to proceed with striking off the Company.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

ENGINEERING CONSTRUCTION TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

Taxation (continued)

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Director's remuneration was borne by another Group company in the current and prior year. It is not practicable to ascertain what proportion of this remuneration related to the Company. The Company has no employees (2016: none).

3. (LOSS)/PROFIT BEFORE TAX

Audit fees of £500 (2016: £500) were borne by another Group company in the current and preceeding financial years.

4. TAX ON PROFIT

(a) The tax credit comprises:

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Current tax		
Prior year charge/(credit)	13	(562)
	<u>13</u>	<u>(562)</u>
Deferred tax		
Prior year charge	-	500
	<u>-</u>	<u>500</u>
Total tax	<u>13</u>	<u>(62)</u>

ENGINEERING CONSTRUCTION TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2017

4. TAX ON PROFIT (continued)

(b) Tax reconciliation

The difference between the total tax shown above and the amount calculated by applying the average rate of UK corporation tax to the profit is as follows:

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Adjustments in respect of prior periods	13	(62)
Total tax charge/(credit)	13	(62)

The Finance Act 2016 included provisions to reduce the rate of corporation tax from 20 per cent to 19 per cent with effect from 1 April 2017 and to 17 per cent with effect from 1 April 2020.

5. DEBTORS

	31 March 2017 £	31 March 2016 £
Amounts due within one year:		
Other debtors	100	100
Amount owed by parent company	8,427	1,879
Amounts owed by Group companies	14,743	15,147
Corporation tax	-	13
	23,270	17,139

Amounts owed by parent company and Group companies are interest free and repayable on demand.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2017 £	31 March 2016 £
Amounts owed to Group companies	269,118	269,118
	269,118	269,118

Amounts owed to Group companies are interest free and repayable on demand.

ENGINEERING CONSTRUCTION TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2017

7. DEFERRED TAXATION

	31 March 2017 £	31 March 2016 £
Deferred taxation asset		
Deferred taxation movement for the year:		
At start of year	-	(500)
Prior year charge	-	500
	<hr/>	<hr/>
At end of year	-	-
	<hr/>	<hr/>

8. CALLED UP SHARE CAPITAL

	31 March 2017 £	31 March 2016 £
Authorised, allotted and fully paid		
100 ordinary shares of £1 each	100	100
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9. CONTINGENT LIABILITIES

The Company is party to a composite guarantee in favour of its bankers to secure the borrowings of Group companies. At 31 March 2017, the Group's revolving credit facility amounted to £15,000,000 (2016: £15,000,000). At 31 March 2017, £nil had been drawn down on the facility (2016: £nil).

10. RELATED PARTY TRANSACTIONS

In accordance with FRS 101, the Company has taken advantage of the exemption of the requirements of IAS 24 'Related party disclosures' not to disclose related party transactions with other Group companies.

There were no other related party transactions in the year (2016: none).

11. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Severfield plc (for which consolidated accounts are prepared), a company incorporated in Great Britain and registered in England and Wales, number 1721262. Copies of the Group financial statements can be obtained from Severs House, Dalton Airfield Industrial Estate, Dalton, Thirsk, North Yorkshire, YO7 3JN, registered address of Severfield Plc.