

Registration number: 05882888

Aitchee Engineering Limited

Directors' Report and Financial Statements

for the year ended 31 December 2013

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Aitchee Engineering Limited

Company information

Directors Mr D E Cicurel (Chairman)
Dr S Gregory (Managing Director)
Mr D Barnbrook
Mr R L Cohen

Secretary Mr R L Cohen

Company number 05882888

Registered Office Unit 19, Charlwoods Road
East Grinstead
West Sussex
RH19 2HL

Auditor Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Regent House
80 Regent Road
Leicester
LE1 7NH

Aitchee Engineering Limited

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Aitchee Engineering Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013. In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Principal activity

The principal activity of the company in the year continued to be that of the manufacture of a variety of engineering parts and finished products for a number of industries. The profit and loss account is set out on page 5 and shows the result for the year.

Directors

The directors who served during the year are as stated below:

Mr D E Cicurel
Mr D Barnbrook
Mr R L Cohen
Dr S Gregory

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

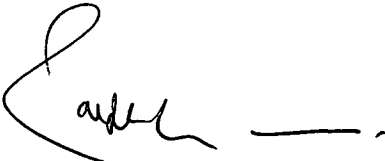
Aitchee Engineering Limited

Directors' report for the year ended 31 December 2013

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earlier.

This report was approved by the board on 27 March 2014 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'R L Cohen', followed by a horizontal line.

R L Cohen
Secretary

Aitchee Engineering Limited
Company Registration number: 05882888

Aitchee Engineering Limited

Independent Auditor's Report to the members of Aitchee Engineering Limited

We have audited the financial statements of Aitchee Engineering Limited for the year ended 31 December 2013, which comprise the profit and loss account, the balance sheet, the statement of accounting policies and notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 directors and auditor

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Aitchee Engineering Limited

Independent Auditor's Report to the members of Aitchee Engineering 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.

Grant Thornton UK LLP

Philip Sayers
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
East Midlands
27 March 2014

Aitchee Engineering Limited

Profit and loss account for the year ended 31 December 2013

	Notes	2013 £	2012 £
Turnover	1	723,671	651,668
Raw materials and consumables		(192,933)	(190,304)
Other external charges		(143,290)	(101,023)
Staff costs	3	(404,938)	(340,334)
Depreciation		(17,536)	(3,917)
(Loss)/profit on ordinary activities before taxation	2	(35,026)	16,090
Tax credit/(charge) on (loss)/profit on ordinary activities	4	8,257	(3,864)
(Loss)/profit on ordinary activities after taxation	11	(26,769)	12,226

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The accompanying notes form an integral part of these financial statements.

Aitchee Engineering Limited

Balance sheet as at 31 December 2013

	Notes	£	2013 £	2012 £
Fixed assets				
Tangible assets	5		83,099	92,971
Current assets				
Stocks	6	41,643		33,635
Debtors and prepayments	7	73,107		99,450
Cash at bank and in hand		<u>76,469</u>		<u>21,066</u>
		191,219		154,151
Creditors: amounts falling due within one year	8	<u>(185,076)</u>		<u>(130,833)</u>
Net current assets			<u>6,143</u>	<u>23,318</u>
Total assets less current liabilities			<u>89,242</u>	<u>116,289</u>
Provision for liabilities	9		<u>(3,027)</u>	<u>(2,222)</u>
Total net assets			<u>86,215</u>	<u>114,067</u>
Creditors: amounts falling due after more than one year	14		292,770	293,853
Capital and reserves				
Called up share capital	10		2	2
Profit and loss account	11		(206,557)	(179,788)
Shareholders' funds - all equity	12		(206,555)	(179,786)
			<u>86,215</u>	<u>114,067</u>

The financial statements were approved by the board of directors on 27 March 2014 and signed on its behalf by:



Dr S Gregory
Director

The accompanying notes form an integral part of these financial statements.

Aitchee Engineering Limited

Statement of accounting policies

Accounting convention

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention.

The accounts are prepared on a going concern basis, given the support from the ultimate parent company.

The principal accounting policies of the company are set out below. The policies, which have been applied consistently throughout the year, remain unchanged from the previous year.

Turnover

The revenue recognition policy in respect of the company's principal revenue stream is to account for the sale of manufactured products at the time of despatch.

All revenues are stated exclusive of value added tax.

Tangible fixed assets and depreciation

Fixed assets are stated at cost or at fair value if part of an acquisition, net of depreciation and any provision for impairment. Depreciation is provided at annual rates calculated to write off the cost or fair value less residual value of each asset over its expected useful life, as follows:

Plant and machinery:	15% straight line on cost
Fixtures, fittings and equipment:	15%/33% straight line on cost
Motor vehicles	25% straight line on cost

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity.

Pensions

The company operates a defined contribution pension scheme for employees and directors. The assets of the scheme are held by investment managers separately from those of the company. Contributions payable are charged to the profit and loss account.

Cash flow statement

The company has not prepared a cash flow statement as it is exempt under Financial Reporting Standard No 1, on the basis that it is included in the publicly available consolidated accounts of Judges Scientific plc.

Aitchee Engineering Limited

Statement of accounting policies

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date which will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the year in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Aitchee Engineering Limited

Notes to the financial statements for the year ended 31 December 2013

1 TURNOVER

Turnover attributable to geographical markets outside the United Kingdom amounted to nil (2012: nil) for the year.

2 (LOSS)/PROFIT ON ORDINARY ACTIVITIES

(Loss)/profit on ordinary activities is stated after charging:

	2013 £	2012 £
Depreciation and other amounts written off tangible fixed assets	17,536	3,917
Auditor's remuneration - audit	3,000	3,000
Operating leases - land and buildings	<u>33,750</u>	<u>27,000</u>

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in these accounts since the consolidated accounts of its ultimate parent undertaking, Judges Scientific plc, are required to disclose non audit fees on a consolidated basis.

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Staff costs (including directors)

	2013 £	2012 £
Wages and salaries	362,870	303,995
Social security costs	36,430	30,818
Other pension costs	5,638	5,521
	<u>404,938</u>	<u>340,334</u>

Average number of persons employed:

	2013	2012
Directors	4	4
Manufacturing	8	7
Sales and administration	3	2
	<u>15</u>	<u>13</u>

No emoluments were paid to directors in the year (2012: nil).

Aitchee Engineering Limited

Notes to the financial statements for the year ended 31 December 2013

4 TAX (CREDIT)/CHARGE ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

Analysis of (credit)/charge in year:

	2013 £	2012 £
Provision for group relief receipt at 23.25% of losses claimed (2012: 24.5%)	(9,062)	(1,152)
Provision for group relief receipt - prior year adjustment	-	2
Total current tax credit	(9,062)	(1,150)
Deferred tax - current year (see note 9)	909	5,014
Deferred tax - prior year (see note 9)	(104)	-
Tax (credit)/charge on (loss)/profit on ordinary activities	(8,257)	3,864

The tax assessed for the year is different to the weighted average standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained as follows:

	2013 £	2012 £
(Loss)/profit on ordinary activities before tax	(35,026)	16,090
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	(8,142)	3,942

Effect of:

Difference between depreciation and accelerated capital allowances	(1,210)	(5,103)
Expenses not deductible for tax purposes	110	-
Other timing differences	180	11
Total current tax credit	(9,062)	(1,150)

5 TANGIBLE FIXED ASSETS

	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost / deemed cost				
At 1 January 2013	133,058	6,110	6,695	145,863
Additions	7,664	-	-	7,664
At 31 December 2013	140,722	6,110	6,695	153,527
Depreciation				
At 1 January 2013	46,197	-	6,695	52,892
Charge for the year	15,520	2,016	-	17,536
At 31 December 2013	61,717	2,016	6,695	70,428
Net book values				
At 31 December 2013	79,005	4,094	-	83,099
At 31 December 2012	86,861	6,110	-	92,971

Aitchee Engineering Limited

Notes to the financial statements for the year ended 31 December 2013

6 STOCKS

	2013 £	2012 £
Raw materials	28,335	15,319
Work in progress	13,308	18,316
	<u>41,643</u>	<u>33,635</u>

7 DEBTORS

	2013 £	2012 £
Trade debtors	17,988	55,251
Amounts owed by group companies	41,057	41,019
Corporation tax receivable	9,131	-
Prepayments	4,931	3,180
	<u>73,107</u>	<u>99,450</u>

8 CREDITORS

	2013 £	2012 £
Amounts falling due within one year:		
Trade creditors	19,976	45,950
Amounts owed to group companies	120,949	61,227
Social security and other taxes	40,151	18,966
Accruals and deferred income	4,000	4,690
	<u>185,076</u>	<u>130,833</u>

9 PROVISION FOR LIABILITIES

	Deferred taxation £
At 1 January 2013	2,222
Charge in the year	909
Prior year adjustments	(104)
At 31 December 2013	<u>3,027</u>

The amounts provided in respect of deferred taxation are computed at the rate of 21% (2012: 23%) and relate to accelerated capital allowances.

10 CALLED UP SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Aitchee Engineering Limited

Notes to the financial statements for the year ended 31 December 2013

11 RESERVES

Profit
and loss
account
£

At 1 January 2013	(179,788)
Loss for the year	(26,769)
At 31 December 2013	<u>(206,557)</u>

12 RECONCILIATION OF SHAREHOLDERS' FUNDS

	2013 £	2012 £
(Loss)profit on ordinary activities after taxation	(26,769)	12,226
Opening shareholders' funds	<u>(179,786)</u>	<u>(192,012)</u>
Closing shareholders' funds	<u>(206,555)</u>	<u>(179,786)</u>

13 OPERATING LEASE OBLIGATIONS

The company had annual commitments under non-cancellable operating leases as follows:

	2013 £	2012 £
Expiry date:		
Land and buildings - between one and five years	<u>-</u>	<u>45,000</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Amounts falling due after more than one year are wholly in respect of a subordinated loan advanced by the ultimate parent undertaking. This loan is interest free and repayable on demand at any time after 30 June 2015 provided that all liabilities to third parties falling due on or before that date have been met.

15 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Judges Scientific plc, the company is exempt from the requirements of FRS 8 to disclose transactions within the group.

16 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of this company is Judges Scientific plc, which is incorporated in England and Wales. The only group undertaking for which consolidated accounts are prepared is that headed by Judges Scientific plc. Bank loans advanced to or guaranteed by Judges Scientific plc amounting at 31 December 2013 to £15,043,000 (2012: £6,921,000) are secured on the company's assets.