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**AEROSPACE TOOLING LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2017**

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## AEROSPACE TOOLING LIMITED

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### COMPANY INFORMATION

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**Directors**

J G Seaton Esq  
D Connell Esq (resigned 16 December 2016)  
D MacLeod Esq  
A Adams Esq  
M Rutten Esq  
W K Picken Esq  
R M Jones Esq (appointed 19 January 2017)

**Registered number**

06045956

**Registered office**

Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

**Independent auditors**

Barnes Roffe LLP  
Chartered Accountants & Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

**Bankers**

HSBC  
39 High Street  
Ashford  
Kent  
TN24 8TG

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**AEROSPACE TOOLING LIMITED**

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## AEROSPACE TOOLING LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2017

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#### Introduction

The directors present their strategic report to accompany the financial statements for the year ended 30 June 2017.

#### Business review

The directors are pleased with the results in the year. The company focus on responsiveness to customer requests and service delivery reliability continues to enable the growth of existing accounts. Our targeted marketing and sales efforts have delivered significant new customers, which have added to current revenues and will deliver sustainable growth in the future. We look forward to making further progress in the coming year.

#### Principal risks and uncertainties

The directors consider that disclosure is not required of any key financial and non-financial performance indicators for an understanding of the business other than is given by the information within these financial statements.

This report was approved by the board on *18<sup>th</sup> SEPT 2017* and signed on its behalf.

  
W K Picken Esq  
Director

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## AEROSPACE TOOLING LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2017

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The directors present their report and the financial statements for the year ended 30 June 2017.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, 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 the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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 to 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £176,845 (2016 - loss £1,058,353).

During the year, dividends were voted totalling £Nil (2016: £Nil).

#### **Directors**

The directors who served during the year were:

J G Seaton Esq  
D Connell Esq (resigned 16 December 2016)  
D MacLeod Esq  
A Adams Esq  
M Rutten Esq  
W K Picken Esq  
R M Jones Esq (appointed 19 January 2017)

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**AEROSPACE TOOLING LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2017**

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**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

**Auditors**

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *18<sup>th</sup> Sept 2017* and signed on its behalf.



**W K Picken Esq**  
Director

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## AEROSPACE TOOLING LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AEROSPACE TOOLING LIMITED

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#### Opinion

We have audited the financial statements of Aerospace Tooling Limited for the year ended 30 June 2017, set out on pages 7 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard' applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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## **AEROSPACE TOOLING LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AEROSPACE TOOLING LIMITED (CONTINUED)**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report and the Directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



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**AEROSPACE TOOLING LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AEROSPACE TOOLING LIMITED  
(CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditors' report.



Mario Ciantanni (Senior statutory auditor)  
for and on behalf of  
**Barnes Roffe LLP**  
Chartered Accountants  
Statutory Auditor  
Charles Lake House  
Claire Causeway  
Crossways Business Park  
Dartford  
Kent  
DA2 6QA

Date: *26 September 2017.*

**AEROSPACE TOOLING LIMITED**

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

	Note	2017 £	2016 £
Turnover	4	4,979,920	3,780,453
Cost of sales		(2,097,995)	(2,146,456)
<b>Gross profit</b>		<b>2,881,925</b>	<b>1,633,997</b>
Administrative expenses		(2,719,289)	(2,827,956)
<b>Operating profit/(loss)</b>	5	<b>162,636</b>	<b>(1,193,959)</b>
Interest payable and expenses	9	(16,125)	(13,468)
<b>Profit/(loss) before tax</b>		<b>146,511</b>	<b>(1,207,427)</b>
Tax on profit/(loss)	10	30,334	149,074
<b>Profit/(loss) for the financial year</b>		<b>176,845</b>	<b>(1,058,353)</b>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017 (2016: £NIL).

The notes on pages 10 to 23 form part of these financial statements.

**AEROSPACE TOOLING LIMITED**  
**REGISTERED NUMBER: 06045956**

**BALANCE SHEET**  
**AS AT 30 JUNE 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	11	773,230	829,795
Tangible assets	12	585,615	794,235
		<u>1,358,845</u>	<u>1,624,030</u>
<b>Current assets</b>			
Stocks	13	295,241	293,274
Debtors	14	7,284,325	6,445,949
Cash at bank and in hand	15	577,507	360,090
		<u>8,157,073</u>	<u>7,099,313</u>
Creditors: amounts falling due within one year	16	(1,382,996)	(722,457)
<b>Net current assets</b>		<u>6,774,077</u>	<u>6,376,856</u>
<b>Total assets less current liabilities</b>		<u>8,132,922</u>	<u>8,000,886</u>
<b>Provisions for liabilities</b>			
Deferred tax	17	(101,499)	(146,308)
<b>Net assets</b>		<u><u>8,031,423</u></u>	<u><u>7,854,578</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	1,000	1,000
Revaluation reserve		132,324	325,301
Profit and loss account		7,898,099	7,528,277
		<u><u>8,031,423</u></u>	<u><u>7,854,578</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on *18th Sept 2017*

*W K Picken*

**W K Picken Esq**  
 Director

*D MacLeod*

**D MacLeod Esq**  
 Director

The notes on pages 10 to 23 form part of these financial statements.

# AEROSPACE TOOLING LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2016	1,000	325,301	7,528,277	7,854,578
Profit for the year	-	-	176,845	176,845
Surplus on revaluation of freehold property	-	-	192,977	192,977
Transfer to/from profit and loss account	-	(192,977)	-	(192,977)
<b>At 30 June 2017</b>	<b>1,000</b>	<b>132,324</b>	<b>7,898,099</b>	<b>8,031,423</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2015	1,000	518,809	8,393,122	8,912,931
Loss for the year	-	-	(1,058,353)	(1,058,353)
Surplus on revaluation of freehold property	-	-	193,508	193,508
Transfer to/from profit and loss account	-	(193,508)	-	(193,508)
<b>At 30 June 2016</b>	<b>1,000</b>	<b>325,301</b>	<b>7,528,277</b>	<b>7,854,578</b>

The notes on pages 10 to 23 form part of these financial statements.

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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 1. General information

The company is incorporated in England and Wales and has its principal place of business at Site 4, Piper Street, Baldovie Industrial Estate, Dundee DD4 0NT. The company's principal activity is the manufacture and repair of turbine components.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 following principal accounting policies have been applied:

##### 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.

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 2. Accounting policies (continued)

##### 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 ten 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.

Depreciation is provided on the following basis:

Plant & Machinery	- 10% straight line
Motor Vehicles	- 25% straight line
Fixtures & Fittings	- 10/25% straight line

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.

##### 2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

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## **AEROSPACE TOOLING LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017**

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#### **2. Accounting policies (continued)**

##### **2.6 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.

##### **2.7 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.

##### **2.8 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.

##### **2.9 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.

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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 2. Accounting policies (continued)

##### 2.10 Foreign currency translation

###### Functional and presentation currency

The company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

##### 2.11 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.

##### 2.12 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.



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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 2. Accounting policies (continued)

##### 2.13 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.

##### 2.14 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

##### 2.15 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.

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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 2. Accounting policies (continued)

##### 2.16 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 charge 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.

##### 2.17 Debt factoring

The company factors its trade debts. The accounting policy is to include trade debtors factored with recourse within trade debtors due within one year and the returnable element of proceeds is recorded within other creditors due within one year. Factoring fees and interest are charged to the profit and loss account when paid. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

##### 2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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

No significant judgements have had to be made by management in preparing these financial statements.

## AEROSPACE TOOLING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

#### 4. Turnover

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	4,537,920	3,324,453
Rest of the world	442,000	456,000
	<u>4,979,920</u>	<u>3,780,453</u>

#### 5. Operating profit/(loss)

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

	2017 £	2016 £
Depreciation of tangible fixed assets	262,889	254,835
Amortisation of intangible assets, including goodwill	423,889	450,468
Other operating lease rentals	140,840	161,211
Defined contribution pension cost	49,585	55,882
	<u>887,203</u>	<u>922,396</u>

#### 6. Auditors' remuneration

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	11,350	11,350
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
All other services	<u>6,325</u>	<u>6,580</u>

# AEROSPACE TOOLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,886,339	1,743,085
Social security costs	229,413	205,035
Cost of defined contribution scheme	49,585	55,882
	<u>2,165,337</u>	<u>2,004,002</u>

The average number of employees, including directors, during the year was 62 (2016: 68).

### 8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	492,474	324,851
Company contributions to defined contribution pension schemes	5,100	6,530
	<u>497,574</u>	<u>331,381</u>

During the year retirement benefits were accruing to 1 director (2016 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £242,390 (2016 - £78,543).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2016 - £NIL).

### 9. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	-	11,105
Finance leases and hire purchase contracts	944	140
Other interest payable	15,181	2,223
	<u>16,125</u>	<u>13,468</u>

# AEROSPACE TOOLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 10. Taxation

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	62,414	(214,709)
Adjustments in respect of previous periods	(47,939)	-
<b>Total current tax</b>	<b>14,475</b>	<b>(214,709)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(44,809)	65,635
<b>Total deferred tax</b>	<b>(44,809)</b>	<b>65,635</b>
<b>Taxation on loss on ordinary activities</b>	<b>(30,334)</b>	<b>(149,074)</b>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2016 - lower than) the standard rate of corporation tax in the UK of 20% / 19% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	146,511	(1,207,427)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% / 19% (2016 - 20%)	29,302	(241,485)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,813	1,144
Depreciation for the year in excess of capital allowances	38,300	33,592
Adjustments to tax charge in respect of prior periods	(47,939)	-
Group relief	(7,214)	-
Change in tax rates	(787)	(7,960)
Movement in deferred tax provision	(44,809)	65,635
<b>Total tax charge for the year</b>	<b>(30,334)</b>	<b>(149,074)</b>

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AEROSPACE TOOLING LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

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11. Intangible assets

	Development costs £
<b>Cost</b>	
At 1 July 2016	2,103,399
Additions	367,324
At 30 June 2017	<u>2,470,723</u>
<b>Amortisation</b>	
At 1 July 2016	1,273,604
Charge for the year	423,889
At 30 June 2017	<u>1,697,493</u>
<b>Net book value</b>	
At 30 June 2017	<u><u>773,230</u></u>
At 30 June 2016	<u><u>829,795</u></u>

# AEROSPACE TOOLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 12. Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Fixtures & Fittings £	Total £
<b>Cost or valuation</b>				
At 1 July 2016	2,451,512	7,000	150,189	2,608,701
Additions	51,483	-	8,619	60,102
Disposals	(50,000)	-	-	(50,000)
At 30 June 2017	2,452,995	7,000	158,808	2,618,803
<b>Depreciation</b>				
At 1 July 2016	1,719,588	1,604	93,274	1,814,466
Charge for the year on owned assets	249,602	1,750	11,537	262,889
Disposals	(44,167)	-	-	(44,167)
At 30 June 2017	1,925,023	3,354	104,811	2,033,188
<b>Net book value</b>				
At 30 June 2017	527,972	3,646	53,997	585,615
At 30 June 2016	731,924	5,396	56,915	794,235

A revaluation of fixed assets was carried out by the directors on the basis of value in use referring to a formal valuation carried out by Cuthbert & Kingsley Ltd on 23rd October 2008. The surplus arising on revaluation has been credited to the revaluation reserve.

### 13. Stocks

	2017 £	2016 £
Raw materials	100,473	164,953
Work in progress	194,768	128,321
	295,241	293,274

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**AEROSPACE TOOLING LIMITED**

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

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**14. Debtors**

	2017 £	2016 £
<b>Due after more than one year</b>		
Amounts owed by group undertakings	6,392,990	5,840,227
<b>Due within one year</b>		
Trade debtors	825,520	488,361
Other debtors	-	80,136
Prepayments and accrued income	65,815	37,225
	<u>7,284,325</u>	<u>6,445,949</u>

**15. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	577,507	360,090
Less: receivables finance and bank overdrafts	(373,923)	(176,823)
	<u>203,584</u>	<u>183,267</u>

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

	2017 £	2016 £
Receivables finance and bank overdrafts	373,923	176,823
Trade creditors	298,459	259,023
Corporation tax	62,414	-
Other taxation and social security	199,207	155,004
Other creditors	448,993	131,607
	<u>1,382,996</u>	<u>722,457</u>

The invoice discounting facility is secured by way of a fixed and floating charge over all the assets and undertakings of the company.



# AEROSPACE TOOLING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 17. Deferred taxation

	2017 £	2016 £
At beginning of year	146,308	80,673
(Credited) / Charged to profit or loss	(44,809)	65,635
<b>At end of year</b>	<b>101,499</b>	<b>146,308</b>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	101,499	146,308

### 18. Share capital

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	1,000	1,000

### 19. Contingent liabilities

Bank borrowings of Aerospace Tooling Corporation Limited are secured via a fixed and floating charge over assets of Aerospace Tooling Limited. At 30 June 2017 the potential exposure in respect of this guarantee was £1,024,282 (2016: £1,530,164). This figure is in respect of gross borrowings and does not take into account the underlying assets of Aerospace Tooling Corporation Limited. The directors consider the possibility of a liability arising from this guarantee to be remote and no provision has therefore been made.

### 20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £49,585 (2016: £55,882). Contributions totalling £7,758 (2016: £7,398) were payable to the fund at the balance sheet date.

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## AEROSPACE TOOLING LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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#### 21. Commitments under operating leases

At 30 June 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	129,167	133,000
Later than 1 year and not later than 5 years	440,000	440,000
Later than 5 years	430,833	540,833
	<u>1,000,000</u>	<u>1,113,833</u>

#### 22. Related party transactions

The company has taken advantage of the exemption afforded by FRS102 from the disclosure of transactions with entities that are part of the group on the grounds that it is a wholly owned subsidiary and consolidated financial statements of the group will be publicly available at Companies House, Crown Way, Cardiff, CF14 3UZ.

#### 23. Controlling party

The ultimate parent company is Aerospace Tooling Corporation Limited, a company registered in England and Wales. There is no single controlling party of the parent company.