

Registration number: 06450934

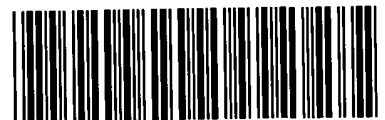
# Frame-Tech Structures Limited

Annual Report and Financial Statements

for the Year Ended 30 June 2017

Walker & Sutcliffe  
Chartered Accountants and Registered Auditors  
12 Greenhead Road  
Huddersfield  
West Yorkshire  
HD1 4EN

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# **Frame-Tech Structures Limited**

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# **Frame-Tech Structures Limited**

## **Company Information**

**Directors**

Mrs C L Atkinson  
Mr J L Atkinson  
Mr M E Ainley  
Mrs P A Ainley  
Mr E Robinson  
Mr M L Johnston

**Company secretary** Mr J L Atkinson

**Registered office**

Lock Way  
Ravensthorpe  
Dewsbury  
West Yorkshire  
WF13 3SX

**Auditors**

Walker & Sutcliffe  
Chartered Accountants and Registered Auditors  
12 Greenhead Road  
Huddersfield  
West Yorkshire  
HD1 4EN

## **Frame-Tech Structures Limited**

### **Strategic Report for the Year Ended 30 June 2017**

The directors present their strategic report for the year ended 30 June 2017.

#### **Principal activity**

The principal activity of the company is that of the manufacture and erection of timber framed buildings.

#### **Fair review of the business**

The company has had another successful year, whilst sales have been down (10%), mainly caused by slowing decision making around the EU referendum time, the implementation of the recently purchased machinery has resulted in further operational efficiency and maintained the industry leading profit % in the period (20% profit pre-tax).

The company has further invested in its people and added a new sales director in the period, we have made a conscious effort to target more volume house builders and are starting to see the benefits with orders secured for two of the national house builders. On the back of these successes and along with many repeat orders from existing clients we expect to see turnover and profit far exceeded for the 2017/2018 period.

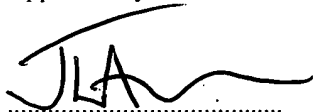
The main threats to the business are continuity of raw material supply, material and labour increases which are all proving difficult to manage. We have extended our credit insurance provision and this is increasing the levels of risk management in the business.

Uncertainty around Brexit is continuing to weigh on confidence, and we are mindful of bumps in the road ahead.

#### **Principal risks and uncertainties**

The political / economic risks are unknown on the back of the recent Brexit vote, the depreciation of sterling has already caused a 10% plus increase in the cost of raw materials, with more scheduled to come in the new year. The confidence levels of construction on the whole will lead to choppy times ahead.

Approved by the Board on 15 November 2017 and signed on its behalf by:



Mr J L Atkinson  
Company secretary and director

## **Frame-Tech Structures Limited**

### **Directors' Report for the Year Ended 30 June 2017**

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

#### **Directors of the company**

The directors who held office during the year were as follows:

Mrs C L Atkinson

Mr J L Atkinson - Company secretary and director

Mr M E Ainley

Mrs P A Ainley

Mr E Robinson

The following director was appointed after the year end:

Mr M L Johnston (appointed 25 September 2017)

#### **Dividends**

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 30 June 2017. This dividend has not been recognised as a liability in the financial statements.

The total distribution of dividends for the year ended 30 June 2017 will be £788,000 (2016: £1,242,000).

#### **Disclosure requirements**

Under Companies Act 2006 the disclosures required in relation to Principal Risks and Uncertainties are shown on the Strategic Report on page 2.

#### **Future developments**

The company will continue to reinvest profits in developing and strengthening the company. The company has ambitious plans to further strengthen its position as a market leader in terms of the level, quality and type of service it is able to provide to clients and expects this to lead to continued growth of the company.

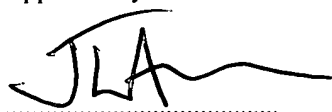
#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Walker & Sutcliffe as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 15 November 2017 and signed on its behalf by:



Mr J L Atkinson  
Company secretary and director

## **Frame-Tech Structures Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 apply them consistently;
- make judgements and accounting 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Frame-Tech Structures Limited**

### **Independent Auditor's Report to the Members of Frame-Tech Structures Limited**

#### **Opinion**

We have audited the financial statements of Frame-Tech Structures Limited (the 'company') for the year ended 30 June 2017, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. 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 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.

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 Auditor's 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 UK, including the FRC'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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Frame-Tech Structures Limited**

### **Independent Auditor's Report to the Members of Frame-Tech Structures Limited**

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 matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 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.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 4], 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.

#### **Auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

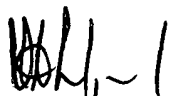


## **Frame-Tech Structures Limited**

### **Independent Auditor's Report to the Members of Frame-Tech Structures Limited**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



.....  
N.A. Ledgard (Senior Statutory Auditor)  
For and on behalf of Walker & Sutcliffe, Statutory Auditor

12 Greenhead Road  
Huddersfield  
West Yorkshire  
HD1 4EN

15 November 2017

## Frame-Tech Structures Limited

### Profit and Loss Account for the Year Ended 30 June 2017

	Note	Total 30 June 2017 £	Total 30 June 2016 £
Turnover	3	9,294,053	10,338,715
Cost of sales		<u>(6,321,550)</u>	<u>(7,105,933)</u>
Gross profit		2,972,503	3,232,782
Distribution costs		(280,296)	(383,032)
Administrative expenses		(898,761)	(770,603)
Other operating income	4	<u>11,829</u>	<u>7,559</u>
Operating profit	5	<u>1,805,275</u>	<u>2,086,706</u>
Other interest receivable and similar income	6	-	19
Interest payable and similar expenses	7	<u>(22,094)</u>	<u>(24,695)</u>
		<u>(22,094)</u>	<u>(24,676)</u>
Profit before tax		1,783,181	2,062,030
Taxation	11	<u>(351,498)</u>	<u>(395,376)</u>
Profit for the financial year		<u><u>1,431,683</u></u>	<u><u>1,666,654</u></u>

The above results were derived from continuing operations.

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

## Frame-Tech Structures Limited

### Statement of Comprehensive Income for the Year Ended 30 June 2017

	Note	2017 £	2016 £
Profit for the year		<u>1,431,683</u>	<u>1,666,654</u>
Total comprehensive income for the year		<u><u>1,431,683</u></u>	<u><u>1,666,654</u></u>

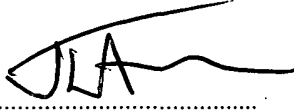
The notes on pages 12 to 22 form an integral part of these financial statements.

# Frame-Tech Structures Limited

(Registration number: 06450934)  
Balance Sheet as at 30 June 2017

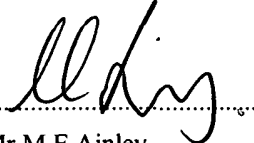
	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets	12	1,354,362	1,408,667
<b>Current assets</b>			
Stocks	13	339,268	175,783
Debtors	14	1,984,917	2,230,421
Cash at bank and in hand		1,713,167	1,461,337
		<u>4,037,352</u>	<u>3,867,541</u>
<b>Creditors: Amounts falling due within one year</b>	16	<u>(2,350,781)</u>	<u>(2,858,546)</u>
<b>Net current assets</b>		<u>1,686,571</u>	<u>1,008,995</u>
<b>Total assets less current liabilities</b>		3,040,933	2,417,662
<b>Creditors: Amounts falling due after more than one year</b>	16	(431,406)	(449,118)
<b>Provisions for liabilities</b>	17	<u>(31,927)</u>	<u>(34,627)</u>
<b>Net assets</b>		<u>2,577,600</u>	<u>1,933,917</u>
<b>Capital and reserves</b>			
Called up share capital	19	4	4
Profit and loss account		<u>2,577,596</u>	<u>1,933,913</u>
<b>Total equity</b>		<u>2,577,600</u>	<u>1,933,917</u>

Approved and authorised by the Board on 15 November 2017 and signed on its behalf by:



Mr J L Atkinson

Company secretary and director



Mr M E Ainley

Director

The notes on pages 12 to 22 form an integral part of these financial statements.

**Frame-Tech Structures Limited**

**Statement of Changes in Equity for the Year Ended 30 June 2017**

	Share capital £	Profit and loss account £	Total £
At 1 July 2016	4	1,933,913	1,933,917
Profit for the year	-	1,431,683	1,431,683
Total comprehensive income	-	1,431,683	1,431,683
Dividends	-	(788,000)	(788,000)
At 30 June 2017	4	2,577,596	2,577,600
	Share capital £	Profit and loss account £	Total £
At 1 July 2015	4	1,509,259	1,509,263
Profit for the year	-	1,666,654	1,666,654
Total comprehensive income	-	1,666,654	1,666,654
Dividends	-	(1,242,000)	(1,242,000)
At 30 June 2016	4	1,933,913	1,933,917

The notes on pages 12 to 22 form an integral part of these financial statements.

## **Frame-Tech Structures Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2017**

#### **1 General information**

The company is a private company limited by share capital incorporated in England & Wales.

The address of its registered office is:

Lock Way  
Ravensthorpe  
Dewsbury  
West Yorkshire  
WF13 3SX  
England

These financial statements were authorised for issue by the Board on 15 November 2017.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentational currency is £ sterling.

##### **Financial Reporting Standard number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements.

##### **Related party transactions**

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

## **Frame-Tech Structures Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2017**

#### **Other grants**

A grant is recognised only when there is reasonable assurance that (a) the entity will comply with any conditions attached to the grant and (b) the grant will be received.

The grant is recognised as income over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

The amount recognised in the profit and loss account for the year under review is £10,000.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Property	2% on cost
Plant and machinery	25% on reducing balance
Fixtures and fittings	25% on reducing balance

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Frame-Tech Structures Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2017**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.



## **Frame-Tech Structures Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2017**

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **3 Revenue**

The analysis of the company's revenue for the year from continuing operations is as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Sale of goods	<u>9,294,053</u>	<u>10,338,715</u>

## Frame-Tech Structures Limited

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2017 £	2016 £
Miscellaneous other operating income	<u>11,829</u>	<u>7,559</u>

#### 5 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	106,887	132,136
Operating lease expense - plant and machinery	<u>71,956</u>	<u>97,185</u>

#### 6 Other interest receivable and similar income

	2017 £	2016 £
Interest income on bank deposits	<u>-</u>	<u>19</u>

#### 7 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and borrowings	22,161	23,387
Interest on obligations under finance leases and hire purchase contracts	-	1,412
Interest expense on other finance liabilities	<u>(67)</u>	<u>(104)</u>
	<u>22,094</u>	<u>24,695</u>

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	1,164,541	1,215,823
Pension costs, defined contribution scheme	<u>327,414</u>	<u>160,000</u>
	<u>1,491,955</u>	<u>1,375,823</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	<u>52</u>	<u>54</u>

## Frame-Tech Structures Limited

### Notes to the Financial Statements for the Year Ended 30 June 2017

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	71,950	77,521
Contributions paid to money purchase schemes	320,000	160,000
	<u>391,950</u>	<u>237,521</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2017 No.	2016 No.
Accruing benefits under money purchase pension scheme	<u>5</u>	<u>3</u>

#### 10 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>3,675</u>	<u>3,675</u>
<b>Other fees to auditors</b>		
All other assurance services	<u>8,320</u>	<u>8,875</u>

#### 11 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
<b>Current taxation</b>		
UK corporation tax	354,011	411,937
UK corporation tax adjustment to prior periods	<u>187</u>	<u>(12,983)</u>
	354,198	398,954
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(2,700)</u>	<u>(3,578)</u>
Tax expense in the income statement	<u>351,498</u>	<u>395,376</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 19.75% (2016 - 20%).

The differences are reconciled below:

## Frame-Tech Structures Limited

### Notes to the Financial Statements for the Year Ended 30 June 2017

	2017 £	2016 £
Profit before tax	<u>1,783,181</u>	<u>2,062,030</u>
Corporation tax at standard rate	352,178	412,406
Effect of expense not deductible in determining taxable profit (tax loss)	316	437
Deferred tax credit relating to changes in tax rates or laws	(2,700)	(3,578)
Tax increase/(decrease) from effect of capital allowances and depreciation	1,740	(906)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(36)</u>	<u>(12,983)</u>
Total tax charge	<u><u>351,498</u></u>	<u><u>395,376</u></u>

#### Deferred tax

##### Deferred tax assets and liabilities

#### 2017

	Liability £
Provision BF	34,627
Movement during the year	<u>(2,700)</u>
	<u><u>31,927</u></u>

#### 2016

	Liability £
Provision BF	38,205
Movement during the year	<u>(3,578)</u>
	<u><u>34,627</u></u>

# Frame-Tech Structures Limited

## Notes to the Financial Statements for the Year Ended 30 June 2017

### 12 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 July 2016	1,055,593	29,951	575,332	1,660,876
Additions	-	-	52,582	52,582
At 30 June 2017	<u>1,055,593</u>	<u>29,951</u>	<u>627,914</u>	<u>1,713,458</u>
<b>Depreciation</b>				
At 1 July 2016	18,883	18,896	214,430	252,209
Charge for the year	<u>8,136</u>	<u>2,772</u>	<u>95,979</u>	<u>106,887</u>
At 30 June 2017	<u>27,019</u>	<u>21,668</u>	<u>310,409</u>	<u>359,096</u>
<b>Carrying amount</b>				
At 30 June 2017	<u>1,028,574</u>	<u>8,283</u>	<u>317,505</u>	<u>1,354,362</u>
At 30 June 2016	<u>1,036,710</u>	<u>11,055</u>	<u>360,902</u>	<u>1,408,667</u>

Included within the net book value of land and buildings above is £1,028,574 (2016 - £1,036,710) in respect of freehold land and buildings.

### 13 Stocks

	2017 £	2016 £
Work in progress	123,814	76,600
Other inventories	<u>215,454</u>	<u>99,183</u>
	<u>339,268</u>	<u>175,783</u>

### 14 Debtors

	2017 £	2016 £
Trade debtors	1,854,043	1,887,218
Other debtors	100,503	262,184
Prepayments	<u>30,371</u>	<u>81,019</u>
Total current trade and other debtors	<u>1,984,917</u>	<u>2,230,421</u>

### 15 Cash and cash equivalents

	2017 £	2016 £
Cash at bank	<u>1,713,167</u>	<u>1,461,337</u>

# Frame-Tech Structures Limited

## Notes to the Financial Statements for the Year Ended 30 June 2017

### 16 Creditors

	Note	2017 £	2016 £
<b>Due within one year</b>			
Loans and borrowings	20	17,652	16,875
Trade creditors		1,472,083	1,218,185
Amounts due to related parties		204,020	503,910
Social security and other taxes		53,567	53,097
Other payables		74	-
Accrued expenses		451,511	654,541
Income tax liability	11	69,011	411,938
Gross amount due to customers for contract work		82,863	-
		<u>2,350,781</u>	<u>2,858,546</u>
<b>Due after one year</b>			
Loans and borrowings	20	<u>431,406</u>	<u>449,118</u>

### 17 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 July 2016	34,627	34,627
Unused provision reversed	<u>(2,700)</u>	<u>(2,700)</u>
At 30 June 2017	<u>31,927</u>	<u>31,927</u>

### 18 Pension and other schemes

#### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £327,414 (2016 - £160,000).

# **Frame-Tech Structures Limited**

## **Notes to the Financial Statements for the Year Ended 30 June 2017**

### **19 Share capital**

**Allotted, called up and fully paid shares**

	<b>2017</b>		<b>2016</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary of £1 each	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>

### **20 Loans and borrowings**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>431,406</u>	<u>449,118</u>

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Bank borrowings	<u>17,652</u>	<u>16,875</u>

#### **Bank borrowings**

The Natwest Bank loan is denominated in GBP with a nominal interest rate of 4.88%, and the final instalment is due on 9 May 2019. The carrying amount at year end is £449,058 (2016 - £465,993).

The loan is secured over the property held by the company.

### **21 Obligations under leases and hire purchase contracts**

#### **Operating leases**

The total of future minimum lease payments is as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Not later than one year	74,835	67,593
Later than one year and not later than five years	233,399	236,125
Later than five years	<u>155,167</u>	<u>208,367</u>
	<u>463,401</u>	<u>512,085</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £75,328 (2016 - £64,588).

## **Frame-Tech Structures Limited**

### **Notes to the Financial Statements for the Year Ended 30 June 2017**

#### **22 Dividends**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Interim dividend of £197,000.00 (2016 - £310,500.00) per ordinary share	788,000	1,242,000

The directors are proposing a final dividend of £Nil (2016 - £Nil) per share totalling £Nil (2016 - £Nil). This dividend has not been accrued in the Balance Sheet.

#### **23 Commitments**

##### **Capital commitments**

The total amount contracted for but not provided in the financial statements was £Nil (2016 - £Nil).

#### **24 Parent and ultimate parent undertaking**

##### **Ultimate parent company**

FTS Holdings UK (2015) Limited is regarded by the directors as being the company's ultimate parent company.

##### **Control**

The company is controlled by the board of directors, in the opinion of the directors there is no ultimate controlling party.