

Company registered no: 09430520

The Testing Group Limited
Annual report and financial statements
for the year ended 31 March 2017

WEDNESDAY



A6GDER8W

A32

04/10/2017

#15

COMPANIES HOUSE

The Testing Group Limited

Contents

Board of directors and advisers	1
Directors' report for the year ended 31 March 2017	2
Independent auditors' report	4
Statement of income and retained earnings for the year ended 31 March 2017	6
Statement of financial position as at 31 March 2017	7
Notes to the financial statements for the year ended 31 March 2017	8

The Testing Group Limited

Board of directors and advisers

Officers and professional advisors

Directors

J A Hardcastle
K D Tonge
R A Blunden
S W Humphrey
J J Wilton

Company number

09430520

Registered office

3 Boundary Court
Willow Farm Business Park
Castle Donington
Derby
DE74 2UD

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

The Testing Group Limited

Directors' report for the year ended 31 March 2017

The directors present their report and the audited financial statements for the year ended 31 March 2017. The company has taken advantage of the small company exemptions in preparing the directors' report and exemption from preparing a strategic report. The prior year financial statements were unaudited as the company, at that time, qualified for the small company audit exemption.

Principal activities

On 27 April 2016, the company was acquired by CET Structures Ltd, a company involved in similar construction related activities to the trade of The Testing Group Limited's main subsidiary. The company has not traded in the year and its principal activity is now as an intermediate holding company.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

J A Hardcastle
K D Tonge
R A Blunden (appointed 27 April 2016)
S W Humphrey (appointed 27 April 2016)
J J Wilton (appointed 27 April 2016)

Dividends

No dividends were paid during the year (2016 - £nil).

Going concern

Accounting standards require the Directors to consider the appropriateness of the going concern basis when preparing the financial statements. The Directors believe that the going concern basis remains appropriate. The Directors have taken notice of the Financial Reporting Council guidance in respect of the going concern basis which recommends the reasons for this decision to be explained.

Whilst the company does not trade, its parent company, CET Structures Ltd, is able to provide cash facilities if required in respect of any administrative expenses.

Directors' indemnities

The company maintained liability insurance for its directors and officers. This is a qualifying indemnity provision for the purposes of the Companies Act 2006, and was in place during the financial year and up to the date of signing these financial statements.

The Testing Group Limited

Directors' report for the year ended 31 March 2017 (Continued)

Provision 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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing its report and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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. The directors 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.

This report was approved by the board on 28 June 2017 and signed on its behalf by:



S W Humphrey
Director

The Testing Group Limited

Independent auditors' report to the members of The Testing Group Limited

Report on the financial statements

Our opinion

In our opinion, The Testing Group Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its 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.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 March 2017;
- the Statement of income and retained earnings for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

The Testing Group Limited

Independent auditors' report to the members of The Testing Group Limited (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.

Other matter

The financial statements for the fifteen months ended 31 March 2016, forming the corresponding figures of the financial statements for the year ended 31 March 2017, are unaudited.



Ian Wall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
2017

29 June 2017

The Testing Group Limited

Statement of income and retained earnings for the year ended 31 March 2017

	Note	Year ended 31 March 2017 £	Fifteen months ended 31 March 2016 unaudited £
Turnover	5	-	44,076
Administrative expenses		-	(95)
Operating result/profit	6	-	43,981
Dividend received from subsidiary undertaking		35,272	-
Profit before taxation		35,272	43,981
Tax on profit	7	-	(8,796)
Profit for the financial year/period		35,272	35,185
Accumulated profits brought forward		<u>35,185</u>	<u>-</u>
Retained profits carried forward		<u>70,457</u>	<u>35,185</u>

The notes on pages 8 to 12 form part of these financial statements.

The Testing Group Limited

Statement of financial position as at 31 March 2017

		2017	2017	2016	2016
	Note	£	£	Unaudited £	Unaudited £
Fixed assets					
Investments	8		286,350		-
Current assets					
Debtors	9	49,722		10,450	
Cash		<u>3,155</u>		<u>35,081</u>	
		52,877		45,531	
Creditors: amounts falling due within one year	10	<u>(268,070)</u>		<u>(9,646)</u>	
Net current (liabilities)/assets			<u>(215,193)</u>		<u>35,885</u>
Total assets less current liabilities			<u>71,157</u>		<u>35,885</u>
Net assets			<u>71,157</u>		<u>35,885</u>
Capital and reserves					
Called up share capital	11		700		700
Profit and loss account	12		<u>70,457</u>		<u>35,185</u>
Total equity			<u>71,157</u>		<u>35,885</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 June 2017 by:


J A Hardcastle
 Director


S W Humphrey
 Director

The notes on pages 8 to 12 form part of these financial statements.

Registered number: 09430520

The Testing Group Limited

Notes to the financial statements for the year ended 31 March 2017

1. General information

The company is an intermediate holding company and its subsidiary provides a range of materials testing services to the construction industry. The company is a private company, limited by shares, incorporated and domiciled in the UK. The address of the registered office is 3 Boundary Court, Willow Farm Business Park, Castle Donington, Derby, DE74 2UD. The company as a member of a larger group from April 2016 has been audited for the year ended 31 March 2017 (including the related opening balances as of 1 April 2016), whilst it qualified for, and took the exemption from audit, for the prior period financial statements for the period ended 31 March 2016.

2. Compliance statement

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

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. The transition to FRS 102 has not resulted in any change to the reported results for the prior period or to net assets. These financial statements are prepared on a going concern basis, under the historical cost convention and as modified by the recognition of certain financial assets and liabilities measured at fair value.

The company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Going Concern

Accounting standards require the Directors to consider the appropriateness of the going concern basis when preparing the financial statements. The Directors believe that the going concern basis remains appropriate as the company is supported by its parent undertaking and is part of a group which is trading profitably with no external debt.

Exemptions under FRS102

The company, being a qualifying subsidiary undertaking within a group whose consolidated financial statements are publicly available, is exempt from the requirements to draw up a cash flow statement in accordance with FRS 102 and from financial instruments and key management remuneration disclosures.

Investments

Investments in subsidiaries held as fixed assets are shown at cost less provision for impairment.

Turnover

Turnover comprises revenue in respect of management services supplied recognised by the company on performance of the service, exclusive of Value Added Tax.

The Testing Group Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

3. Summary of significant accounting policies (continued)

Financial instruments

Basic financial assets and liabilities, including other debtors, accruals, loans to and from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. The financing costs are included in interest payable with debt instruments subsequently carried at amortised cost, using the effective interest rate method.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

4. Critical accounting estimates and judgements

The company makes a limited number of estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, not always equal the related actual results. The estimates and assumptions that could materially influence the carrying amounts of assets and liabilities within the next financial year relate to the carrying value of investments in subsidiaries. There is however no current indication that the business prospects have changed or of any impairment.

5. Turnover

All turnover arose within the United Kingdom and arises from the previous activity of providing management services.

6. Operating result/profit

	Year ended 31 March 2017	15 months ended 31 March 2016 unaudited
The operating result/profit is stated after charging:		
	£	£
Directors emoluments	-	-

J A Hardcastle and K D Tonge are directors of the main trading subsidiary company, Construction Testing Solutions Limited, and their remuneration is borne by and disclosed in the financial statements of that company. R A Blunden, S W Humphrey and J J Wilton are directors of parent companies and their remuneration is borne by, and disclosed in the financial statements of CET Structures Ltd and CET Group Holdings Limited. The company has no other employees.

The audit fees of £1,000 are borne by the parent company, CET Structures Ltd (2016: not applicable).

The Testing Group Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

7. Tax on profit

	Year ended 31 March 2017	15 months ended 31 March 2016 unaudited
	£	£
Current tax		
UK corporation tax charge on profit for the financial year	-	8,796
Factors affecting tax charge for the year		
The tax assessed for the year is lower (2016 – equal to) than the standard rate of corporation tax in the UK of 20% (2016 - 20%). The differences are explained below:		
	£	£
Profit before taxation	35,272	43,981
Profit before taxation multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	7,054	8,796
Effects of:		
Dividend income not taxed	(7,054)	-
Tax charge for the year/period	-	8,796

Factors affecting future and current tax charges

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 had already been substantively enacted on 26 October 2015.

The Testing Group Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

8. Investments

	Shares in subsidiary undertakings
Cost and net book value	£
At 1 April 2016 (unaudited)	-
Additions	286,350
At 31 March 2017	<u>286,350</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company, both registered at 3 Boundary Court, Willow Farm Business Park, Castle Donington, Derby, DE74 2UD:

Name	Activity	Class of shares	Holding
Construction Testing Solutions Limited	Construction materials testing	Ordinary	100%
Construction Chemistry Solutions Limited	Dormant	Ordinary	100%

Additions in the year related to the acquisition of the 150 minority held shares in Construction Testing Solutions Limited (17.6%) and 10 minority held shares in Construction Chemistry Solutions Limited (10%) in order to hold 100% of the shares in both companies.

9. Debtors

	2017	2016
	£	Unaudited £
Amounts owed by group undertakings	49,022	9,750
Other debtors	700	700
	<u>49,722</u>	<u>10,450</u>

10. Creditors: amounts falling due within one year

	2017	2016
	£	Unaudited £
Amounts owed to group undertakings	267,220	-
Corporation tax	-	8,796
Accruals and deferred income	850	850
	<u>268,070</u>	<u>9,646</u>

The Testing Group Limited

Notes to the financial statements for the year ended 31 March 2017 (continued)

11. Called up share capital

	2017	2016
		Unaudited
	£	£
Allotted, called up and fully paid		
700 (2016: 700) Ordinary shares of £1 each	700	700

12. Profit and loss account reserve

The profit and loss account relates to cumulative gains and losses recognised in the statement of income.

13. Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 102 not to disclose details of transactions with other entities that are part of the same group, where group financial statements are publicly available and 100% of the voting rights are controlled within the group.

14. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking and the only group undertaking to prepare publicly available consolidated financial statements, is CET Group Holdings Limited, a company registered in England. The immediate parent undertaking is CET Structures Ltd which holds all of the share capital. Copies of the financial statements of CET Group Holdings Limited can be obtained from the registered office.