
EAKIN R&D LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017



WEDNESDAY



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COMPANIES HOUSE

EAKIN R&D LIMITED
REGISTERED NUMBER: NI626666

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	91,823	107,924
		<u>91,823</u>	<u>107,924</u>
Current assets			
Debtors: amounts falling due within one year	5	61,048	54,726
Cash and cash equivalents	6	32,634	24,290
		<u>93,682</u>	<u>79,016</u>
Creditors: amounts falling due within one year	7	(334,560)	(164,643)
Net current liabilities		<u>(240,878)</u>	<u>(85,627)</u>
Total assets less current liabilities		<u>(149,055)</u>	<u>22,297</u>
Net (liabilities)/assets		<u><u>(149,055)</u></u>	<u><u>22,297</u></u>
Capital and reserves			
Called up share capital	9	100,001	100,001
Profit and loss account	10	(249,056)	(77,704)
		<u>(149,055)</u>	<u>22,297</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2017.

P A Eakin
Director

J D Eakin
Director

The notes on pages 4 to 12 form part of these financial statements.

EAKIN R&D LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2016	100,001	(77,704)	22,297
Comprehensive income for the year			
Loss for the year	-	(171,352)	(171,352)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(171,352)	(171,352)
Total transactions with owners	-	-	-
At 31 March 2017	100,001	(249,056)	(149,055)

EAKIN R&D LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 15 April 2015	1	-	1
Comprehensive income for the year			
Loss for the year	-	(77,704)	(77,704)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(77,704)	(77,704)
Shares issued during the year	100,000	-	100,000
Total transactions with owners	100,000	-	100,000
At 31 March 2016	100,001	(77,704)	22,297

The notes on pages 4 to 12 form part of these financial statements.

EAKIN R&D LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Eakin R&D Limited is a private company limited by shares. The company is incorporated in Northern Ireland and has the company number NI626666. The registered office address and principal place of business is 15 Ballystockart Road, Comber, Co Down, BT23 5QY. The principal activity of the company is that of the provision of research and development services to members of the Eakin group of companies.

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 accounting policies.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.3 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 and machinery	-	15% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	
Computer equipment	-	33% 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 profit and loss account.

2.4 Development costs

Development expenditure is written off to the profit and loss account in the year in which it is incurred.

2.5 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.

2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling; 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'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

2. Accounting policies (continued)

2.10 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.

2.11 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.12 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.

EAKIN R&D LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.13 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.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	2016 No.
Research and Development	5	5

EAKIN R&D LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Computer equipment £	Assets not com- missioned £	Total £
Cost or valuation					
At 1 April 2016	62,441	15,825	58,344	-	136,610
Additions	-	-	3,330	14,080	17,410
At 31 March 2017	62,441	15,825	61,674	14,080	154,020
Depreciation					
At 1 April 2016	5,794	3,956	18,936	-	28,686
Charge for the period	9,366	3,956	20,189	-	33,511
At 31 March 2017	15,160	7,912	39,125	-	62,197
Net book value					
At 31 March 2017	47,281	7,913	22,549	14,080	91,823
At 31 March 2016	56,647	11,869	39,408	-	107,924

EAKIN R&D LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5. Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	43,823	48,304
Other debtors	3,531	-
Prepayments and accrued income	10,494	5,603
Deferred taxation	3,200	819
	61,048	54,726

6. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	32,634	24,290
	32,634	24,290

7. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	14,386	36,327
Amounts owed to group undertakings	286,011	91,117
Other taxation and social security	9,724	8,698
Accruals and deferred income	24,439	28,501
	334,560	164,643

EAKIN R&D LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	32,634	24,290
	<u>32,634</u>	<u>24,290</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

9. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100,001 Ordinary shares of £1 each	<u>100,001</u>	<u>100,001</u>

10. Reserves

Profit and loss account

Includes all current period retained profits and losses.

11. Pension commitments

The pension costs charged in the financial statements represent the contribution payable by the company during the year. The regular cost of providing retirement pensions and related benefits is charged to the statement of comprehensive income over the employee's service lives on the basis of a constant percentage of earnings.

12. Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is Eakin Investments Limited, a company incorporated in the Isle of Man. Eakin Investments Limited is controlled by the trustees of the Eakin Family Trust.

EAKIN R&D LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. Auditors' information

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Mr Jonathan R Bethel who signed for and on behalf of Miscampbell & Co., Statutory Auditor.