

Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31 December 2017
for
Castle Precision Engineering
(Glasgow) Limited

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for the Year Ended 31 December 2017

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Castle Precision Engineering
(Glasgow) Limited

Company Information
for the Year Ended 31 December 2017

DIRECTORS:

Mrs R Tiefenbrun
Y L Tiefenbrun
Miss R E Tiefenbrun

SECRETARY:

J Forrest

REGISTERED OFFICE:

241 Drakemire Drive
Castlemilk
Glasgow
G45 9SZ

REGISTERED NUMBER:

SC039355 (Scotland)

AUDITORS:

O'Haras Chartered Accountants, Statutory Auditors
Radleigh House
1 Golf Road
Clarkston
Glasgow
G76 7HU

Strategic Report
for the Year Ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

REVIEW OF BUSINESS

In the previous accounting period the company had taken the decision to adjust its financial year end from July to December. The change to a calendar year end was primarily to simplify budgeting and enable forecasting in line with our customers' schedules. These accounts mark the first year with the newly adopted period.

In the twelve months to 31 December 2017, the company experienced continued challenging trading conditions but with signs of an improving outlook.

With revenues of £15.38m, the company delivered approx. 7% top line growth on the previous full year report and a small overall profit in the same period as delivering significant cost reductions to transition short-term business into long term contracts.

This was achieved through the company's continued commitment to a programme of cost reduction to remain globally competitive; along with core, aero engine product, focused growth.

Gearing remained very low, the balance sheet strong and the business cash generative. The conservative position allowed the business to remain agile and invest in new opportunities as they arose.

Looking forward, a further steady recovery and return to moderate level growth is expected with an ongoing pressure on margin. The aerospace market will remain strong but with significant volume shifts from legacy platforms to new ones.

The trend for Low Cost Country Sourcing, driven primarily by cost and partially by offset obligations, remains a threat to securing globally sourced long-term production business. More positive margin opportunities remain in other value streams where the company operates; in the lower volume, higher complexity or areas with high regulatory restriction.

Uncertainty rather than opportunity in Brexit remains a key factor in strategic decision making for the company and its customers.

ON BEHALF OF THE BOARD:

Y L Tiefenbrun - Director

13 September 2018

Report of the Directors
for the Year Ended 31 December 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

Mrs R Tiefenbrun
Y L Tiefenbrun
Miss R E Tiefenbrun

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, O'Haras Chartered Accountants, Statutory Auditors, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Y L Tiefenbrun - Director

13 September 2018

Report of the Independent Auditors to the Members of
Castle Precision Engineering
(Glasgow) Limited

Opinion

We have audited the financial statements of Castle Precision Engineering (Glasgow) Limited (the 'company') for the year ended 31 December 2017 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 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 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 in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Castle Precision Engineering
(Glasgow) Limited**

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 or the Report of the Directors.

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 three, 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 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.

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 a Report of the Auditors 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. This description forms part of our Report of the Auditors.

Use of our report

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 a Report of the Auditors 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.

John O'Hara CA (Senior Statutory Auditor)
for and on behalf of O'Haras Chartered Accountants, Statutory Auditors
Raddleigh House
1 Golf Road
Clarkston
Glasgow
G76 7HU

13 September 2018

Castle Precision Engineering
(Glasgow) Limited (Registered number: SC039355)

Income Statement
for the Year Ended 31 December 2017

		Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
	Notes		
REVENUE		15,389,456	5,570,581
Cost of sales		<u>9,929,513</u>	<u>3,547,809</u>
GROSS PROFIT		5,459,943	2,022,772
Administrative expenses		<u>5,543,753</u> (83,810)	<u>2,267,979</u> (245,207)
Other operating income		<u>169,830</u>	<u>30,001</u>
OPERATING PROFIT/(LOSS)	4	86,020	(215,206)
Interest receivable and similar income		<u>3,110</u> 89,130	<u>3,039</u> (212,167)
Interest payable and similar expenses	5	<u>11,502</u>	<u>6,752</u>
PROFIT/(LOSS) BEFORE TAXATION		77,628	(218,919)
Tax on profit/(loss)	6	<u>-</u>	<u>(141,938)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>77,628</u>	<u>(76,981)</u>

The notes form part of these financial statements

Castle Precision Engineering
(Glasgow) Limited (Registered number: SC039355)

Other Comprehensive Income
for the Year Ended 31 December 2017

	Notes	Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
PROFIT/(LOSS) FOR THE YEAR		77,628	(76,981)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>77,628</u>	<u>(76,981)</u>

The notes form part of these financial statements

**Castle Precision Engineering
(Glasgow) Limited (Registered number: SC039355)**

**Balance Sheet
31 December 2017**

	Notes	31/12/17 £	£	31/12/16 £	£
FIXED ASSETS					
Property, plant and equipment	7		4,349,408		4,436,755
CURRENT ASSETS					
Inventories	8	1,877,779		1,959,163	
Debtors	9	1,607,206		1,535,555	
Cash at bank and in hand		<u>2,621,170</u>		<u>3,097,072</u>	
		6,106,155		6,591,790	
CREDITORS					
Amounts falling due within one year	10	<u>1,926,546</u>		<u>2,401,897</u>	
NET CURRENT ASSETS			<u>4,179,609</u>		<u>4,189,893</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,529,017		8,626,648
CREDITORS					
Amounts falling due after more than one year	11		<u>57,491</u>		<u>232,750</u>
NET ASSETS			<u>8,471,526</u>		<u>8,393,898</u>
CAPITAL AND RESERVES					
Called up share capital	14		3,000		3,000
Retained earnings	15		<u>8,468,526</u>		<u>8,390,898</u>
SHAREHOLDERS' FUNDS			<u>8,471,526</u>		<u>8,393,898</u>

The financial statements were approved by the Board of Directors on 13 September 2018 and were signed on its behalf by:

Y L Tiefenbrun - Director

Castle Precision Engineering
(Glasgow) Limited (Registered number: SC039355)

Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2016	3,000	8,467,879	8,470,879
Changes in equity			
Total comprehensive income	-	(76,981)	(76,981)
Balance at 31 December 2016	3,000	8,390,898	8,393,898
Changes in equity			
Total comprehensive income	-	77,628	77,628
Balance at 31 December 2017	3,000	8,468,526	8,471,526

The notes form part of these financial statements

Castle Precision Engineering
(Glasgow) Limited (Registered number: SC039355)

Cash Flow Statement
for the Year Ended 31 December 2017

		Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	419,368	310,510
Interest element of hire purchase payments paid		(11,502)	(6,752)
Tax paid		-	141,938
Net cash from operating activities		<u>407,866</u>	<u>445,696</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(715,229)	(20,205)
Sale of tangible fixed assets		35,200	-
Interest received		<u>3,110</u>	<u>3,039</u>
Net cash from investing activities		<u>(676,919)</u>	<u>(17,166)</u>
Cash flows from financing activities			
Capital repayments in year		(160,839)	(158,409)
Amount introduced by directors		6,044	4,296
Amount withdrawn by directors		-	(6,044)
SIG state funds advanced less amount repaid		<u>(52,054)</u>	<u>-</u>
Net cash from financing activities		<u>(206,849)</u>	<u>(264,267)</u>
(Decrease)/increase in cash and cash equivalents		<u>(475,902)</u>	<u>164,263</u>
Cash and cash equivalents at beginning of year	2	3,097,072	2,932,809
Cash and cash equivalents at end of year	2	<u><u>2,621,170</u></u>	<u><u>3,097,072</u></u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2017**

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
Profit/(loss) before taxation	77,628	(218,919)
Depreciation charges	799,846	307,407
Profit on disposal of fixed assets	(32,470)	-
Deferred government grant release	(150,433)	(9,167)
Finance costs	11,502	6,752
Finance income	(3,110)	(3,039)
	<u>702,963</u>	<u>83,034</u>
Decrease/(increase) in inventories	81,384	(137,975)
(Increase)/decrease in trade and other debtors	(77,695)	403,864
Decrease in trade and other creditors	(287,284)	(38,413)
Cash generated from operations	<u><u>419,368</u></u>	<u><u>310,510</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2017

	31.12.17 £	1.1.17 £
Cash and cash equivalents	<u>2,621,170</u>	<u>3,097,072</u>

Period ended 31 December 2016

	31.12.16 £	1.8.16 £
Cash and cash equivalents	<u>3,097,072</u>	<u>2,932,809</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2017**

1. STATUTORY INFORMATION

Castle Precision Engineering (Glasgow) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue

Revenue is shown exclusive of VAT and is generated from the provision of precision engineering services.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Plant and machinery	- 10% on cost
Office and computer equipment	- 30% on reducing balance
Motor vehicles	- 25% on reducing balance

Inventories

Work in progress is valued at the lower of cost and net realisable value.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing inventories to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

3. EMPLOYEES AND DIRECTORS

	Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
Wages and salaries	4,776,819	1,927,608
Social security costs	492,796	202,230
Other pension costs	248,610	74,227
	<u>5,518,225</u>	<u>2,204,065</u>

The average number of employees during the year was as follows:

	Year Ended 31.12.17	Period 1.8.16 to 31.12.16
Management & administration	58	59
Manufacturing	<u>68</u>	<u>67</u>
	<u>126</u>	<u>126</u>

	Year Ended 31.12.17 £	Period 1.8.16 to 31.12.16 £
Directors' remuneration	321,144	135,136
Directors' pension contributions to money purchase schemes	<u>10,800</u>	<u>4,500</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director for the year ended 31 December 2017 is as follows:

	Year Ended 31.12.17 £
Emoluments etc	<u>120,914</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

4. OPERATING PROFIT/(LOSS)

The operating profit (2016 - operating loss) is stated after charging/(crediting):

	Year Ended 31.12.17	Period 1.8.16 to 31.12.16
	£	£
Hire of plant and machinery	18,607	7,720
Depreciation - owned assets	799,846	307,407
Profit on disposal of fixed assets	(32,470)	-
Auditors' remuneration	9,000	7,000
Auditors' remuneration for non audit work	<u>13,738</u>	<u>6,000</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.12.17	Period 1.8.16 to 31.12.16
	£	£
Hire purchase	<u>11,502</u>	<u>6,752</u>

6. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	Year Ended 31.12.17	Period 1.8.16 to 31.12.16
	£	£
Current tax:		
R&D tax refund	-	(141,938)
Tax on profit/(loss)	<u>-</u>	<u>(141,938)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

7. PROPERTY, PLANT AND EQUIPMENT

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 January 2017	2,694,464	7,579	19,052,518
Additions	-	-	493,575
Disposals	-	-	(123,000)
At 31 December 2017	2,694,464	7,579	19,423,093
DEPRECIATION			
At 1 January 2017	753,968	1,500	16,930,850
Charge for year	52,716	150	592,319
Eliminated on disposal	-	-	(123,000)
At 31 December 2017	806,684	1,650	17,400,169
NET BOOK VALUE			
At 31 December 2017	1,887,780	5,929	2,022,924
At 31 December 2016	1,940,496	6,079	2,121,668

	Office and computer equipment £	Motor vehicles £	Totals £
COST			
At 1 January 2017	2,716,032	333,642	24,804,235
Additions	221,654	-	715,229
Disposals	-	(18,044)	(141,044)
At 31 December 2017	2,937,686	315,598	25,378,420
DEPRECIATION			
At 1 January 2017	2,428,929	252,233	20,367,480
Charge for year	134,453	20,208	799,846
Eliminated on disposal	-	(15,314)	(138,314)
At 31 December 2017	2,563,382	257,127	21,029,012
NET BOOK VALUE			
At 31 December 2017	374,304	58,471	4,349,408
At 31 December 2016	287,103	81,409	4,436,755

Included in plant and machinery are assets costing £1,282,270 and depreciation of £393,158 which are subject to hire purchase agreements.

8. INVENTORIES

	31/12/17 £	31/12/16 £
Work-in-progress	<u>1,877,779</u>	<u>1,959,163</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/17	31/12/16
	£	£
Trade debtors	1,192,865	1,392,521
Other debtors	56,005	82,297
Directors' current accounts	-	6,044
Prepayments and accrued income	358,336	54,693
	<u>1,607,206</u>	<u>1,535,555</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/17	31/12/16
	£	£
Hire purchase contracts (see note 12)	159,918	273,931
Trade creditors	1,416,500	1,697,325
Social security and other taxes	137,485	145,936
VAT	125,241	130,697
SIG Funds repayable	-	52,054
Accrued expenses	87,402	79,954
Deferred government grants	-	22,000
	<u>1,926,546</u>	<u>2,401,897</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/12/17	31/12/16
	£	£
Hire purchase contracts (see note 12)	57,491	104,317
Deferred government grants	-	128,433
	<u>57,491</u>	<u>232,750</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

12. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	31/12/17 £	31/12/16 £
Gross obligations repayable:		
Within one year	164,017	285,583
Between one and five years	<u>57,491</u>	<u>108,416</u>
	<u>221,508</u>	<u>393,999</u>
Finance charges repayable:		
Within one year	4,099	11,652
Between one and five years	<u>-</u>	<u>4,099</u>
	<u>4,099</u>	<u>15,751</u>
Net obligations repayable:		
Within one year	159,918	273,931
Between one and five years	<u>57,491</u>	<u>104,317</u>
	<u>217,409</u>	<u>378,248</u>

13. SECURED DEBTS

The bank holds a floating charge over the assets and undertakings of the company.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31/12/17 £	31/12/16 £
Number:	Class:			
3,000	Ordinary	£1	<u>3,000</u>	<u>3,000</u>

15. RESERVES

	Retained earnings £
At 1 January 2017	8,390,898
Profit for the year	<u>77,628</u>
At 31 December 2017	<u>8,468,526</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

16. **CAPITAL COMMITMENTS**

	31/12/17 £	31/12/16 £
Contracted but not provided for in the financial statements	<u>288,150</u>	<u>-</u>

In December 2017, the company entered into an agreement to purchase a piece of machinery for £339,000 plus VAT. At the year end, 15% of this had been paid and the balance of £288,150 will be paid via a hire purchase agreement post year end.

17. **RELATED PARTY DISCLOSURES**

During the year, the company made sales to Linn Products Limited, a company owned by a family member totalling £118,454.

At 31 December 2017 the balance due from Linn Products Limited was £9,632.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.