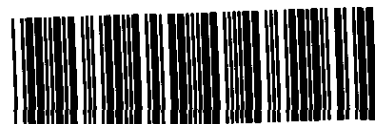


Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2017
for
TI Callenberg UK limited

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TI Callenberg UK limited

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for the Year Ended 31 December 2017

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TI Callenberg UK limitedCompany Information
for the Year Ended 31 December 2017**DIRECTORS:**

A Sorensen
T Stark
P J Bannerman
T Forsstrom
M D Bornak

REGISTERED OFFICE:

Building 7, Buchanan Gate
Stepps
Glasgow
North Lanarkshire
G33 6FB

REGISTERED NUMBER:

SC134398 (Scotland)

AUDITORS:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

ACCOUNTANTS:

McLay, McAlister & McGibbon LLP
145 St Vincent Street
GLASGOW
G2 5JF

TI Callenberg UK Limited**Strategic Report
for the Year Ended 31 December 2017**

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

RESULTS FOR THE YEAR

The results for the year, as set out on page 7, show a profit on ordinary activities after tax of £4,166,199 (2016: £2,125,792). The shareholders' funds of the company total £2,398,616 (2016: £1,838,186).

PRINCIPAL RISKS AND UNCERTAINTIES

The company continues to monitor its key business risks, which primarily relate to the management of their long-term contracts, by a system of monitoring and control.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for the understanding of the development, performance or position of the company.

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

ON BEHALF OF THE BOARD:
.....
T Stark - Director

Date: 31/08/2018

TI Callenberg UK LimitedReport of the Directors
for the Year Ended 31 December 2017

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

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was that of thermal insulation contractors.

DIVIDENDS

An interim dividend of £3,605,769 was paid in the year (2016: £1,700,000). The directors do not recommend the payment of a final dividend. (2016: £nil).

FUTURE DEVELOPMENTS

The directors are confident that the company will remain profitable going forward, through continuing to secure long-term contracts and the completion of the ones currently ongoing.

DIRECTORS

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

A Sorensen
T Stark
P J Bannerman
T Forsstrom
M D Bornak

FINANCIAL RISK MANAGEMENT

The company's financial assets and liabilities consist of trade debtors, creditors and cash balances.

The directors manage the company's exposure to financial risk by considering the credit worthiness of customers and by seeking advice from the company's providers of finance and its other external financial advisers.

Currency risk is restricted to the short term settlement of trading balances with customers and suppliers.

The company does not trade speculatively in derivatives or similar instruments.

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 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.

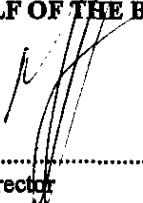
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

TI Callenberg UK LimitedReport of the Directors
for the Year Ended 31 December 2017**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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

Pursuant to section 487 of the Companies Act 2006 the auditor will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

ON BEHALF OF THE BOARD:
.....
T Stark - Director

Date: 31/08/2018

Independent auditors' report to the members of TI Callenberg UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, TI Callenberg UK Limited's 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 (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

We have no exceptions to report arising from this responsibility.

Kenneth Wilson

Kenneth Wilson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
31 August 2018

TI Callenberg UK limitedStatement of Comprehensive Income
for the Year Ended 31 December 2017

	Notes	31.12.17 £	31.12.16 £
TURNOVER	3	14,000,072	16,941,957
Cost of sales		(10,186,528)	(13,280,492)
GROSS PROFIT		3,813,544	3,661,465
Administrative expenses		(1,116,001)	(978,228)
OPERATING PROFIT	5	2,697,543	2,683,237
Income from shares in group undertakings		1,986,413	-
Interest receivable and similar income	6	1,509	21,962
		4,685,465	2,705,199
Interest payable and similar expenses	7	-	(4,475)
PROFIT BEFORE TAXATION		4,685,465	2,700,724
Tax on profit	8	(519,266)	(574,932)
PROFIT FOR THE FINANCIAL YEAR		4,166,199	2,125,792
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,166,199	2,125,792

The notes form part of these financial statements

TJ Callenberg UK Limited (Registered number: SC134398)Balance Sheet31 December 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Tangible assets	10	61,325	111,877
Investments	11	<u>411,352</u>	<u>411,352</u>
		<u>472,677</u>	<u>523,229</u>
CURRENT ASSETS			
Stocks	12	994,060	802,120
Debtors	13	5,491,919	8,252,882
Cash in hand		-	72
		6,485,979	9,055,074
CREDITORS			
Amounts falling due within one year	14	<u>(4,560,040)</u>	<u>(7,740,117)</u>
NET CURRENT ASSETS		<u>1,925,939</u>	<u>1,314,957</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,398,616</u>	<u>1,838,186</u>
CAPITAL AND RESERVES			
Called up share capital	16	1,000	1,000
Retained earnings	17	<u>2,397,616</u>	<u>1,837,186</u>
SHAREHOLDERS' FUNDS		<u>2,398,616</u>	<u>1,838,186</u>

The financial statements were approved by the Board of Directors on 31/8/2018 and were signed on its behalf by:

.....
T Stark - Director

TI Callenberg UK limitedStatement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2016	1,000	1,411,394	1,412,394
Changes in equity			
Dividends	-	(1,700,000)	(1,700,000)
Total comprehensive income	-	2,125,792	2,125,792
Balance at 31 December 2016	<u>1,000</u>	<u>1,837,186</u>	<u>1,838,186</u>
Changes in equity			
Dividends	-	(3,605,769)	(3,605,769)
Total comprehensive income	-	4,166,199	4,166,199
Balance at 31 December 2017	<u>1,000</u>	<u>2,397,616</u>	<u>2,398,616</u>

The notes form part of these financial statements

TI Callenberg UK limitedNotes to the Financial Statements
for the Year Ended 31 December 2017**1. STATUTORY INFORMATION**

TI Callenberg UK 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 preparation**

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.

TI Callenberg UK Limited is a company limited by shares and incorporated and domiciled in the UK.

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

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax. The basis for contract accounting is shown in the payments on account and amounts recoverable on contracts accounting policy.

Tangible fixed assets

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

Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Tangible fixed assets are initially measured at cost and subsequently measured at cost less depreciation.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

TI Callenberg UK limitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**2. ACCOUNTING POLICIES - continued****Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

Taxation

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

Leasing

Payments (excluding costs for serviced and insurance) made under operating leases are recognised in the profit and loss account on a straight line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives are recognised in the profit and loss over the term of the lease as an integral part of the total lease expense.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Payments on account and amounts recoverable on contracts

Payments on account and amounts recoverable on contracts are based on the measured value of the work completed in comparison to that invoiced as at the balance sheet date.

Amounts recoverable on contracts, which are included in debtors, are stated at cost plus attributable profit less any foreseeable losses. The profit is calculated on a prudent basis to reflect the proportion of work carried out at the year end, by recording turnover and related costs as contract activity progresses. Full provision is made for losses on all contracts in the year in which they are first foreseen. Payments received on account of contracts are included in creditors.

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**3. TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by geographical market is given below:

	31.12.17	31.12.16
	£	£
United Kingdom	12,114,921	15,722,527
Europe	48,789	432,905
United States of America	277,539	594,413
Asia	1,556,796	192,112
Australasia	2,027	-
	<u>14,000,072</u>	<u>16,941,957</u>

4. EMPLOYEES AND DIRECTORS

	31.12.17	31.12.16
	£	£
Wages and salaries	2,835,620	4,051,146
Social security costs	258,377	395,469
Other pension costs	67,606	82,619
	<u>3,161,603</u>	<u>4,529,234</u>

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

	31.12.17	31.12.16
	No.	No.
Office and Management	3	4
Manufacturing and Insulation	78	121
	<u>81</u>	<u>125</u>

	31.12.17	31.12.16
	£	£
Directors' remuneration	<u>15,000</u>	<u>237,928</u>

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

	1	1
Money purchase schemes	<u>1</u>	<u>1</u>

Information regarding the highest paid director is as follows:

	31.12.17	31.12.16
	£	£
Total emoluments	<u>15,000</u>	<u>237,928</u>

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**5. OPERATING PROFIT**

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

	31.12.17	31.12.16
	£	£
Depreciation - owned assets	34,841	53,740
Profit on disposal of fixed assets	(7,502)	-
Auditors' remuneration - audit services	27,938	25,000
Foreign exchange differences	36,406	(35,824)
Operating lease expenses	<u>85,736</u>	<u>85,736</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.12.17	31.12.16
	£	£
Group loan interest	<u>1,509</u>	<u>21,962</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.17	31.12.16
	£	£
Other interest	<u>-</u>	<u>4,475</u>

8. TAXATION**Analysis of the tax charge**

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

	31.12.17	31.12.16
	£	£
Current tax:		
UK corporation tax	519,266	541,040
Adjustments in respect of prior years	<u>-</u>	<u>33,892</u>
Tax on profit	<u>519,266</u>	<u>574,932</u>

UK corporation tax has been charged at 19.25%.

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**8. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.17 £	31.12.16 £
Profit before tax	<u>4,685,465</u>	<u>2,700,724</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	901,952	540,145
Effects of:		
Expenses not deductible for tax purposes	936	607
Capital allowances in excess of depreciation	(2,547)	(22)
Income from shares in group undertakings	(382,385)	-
Other adjustments	1,310	310
Adjustments in respect of prior years	-	33,892
Total tax charge	<u>519,266</u>	<u>574,932</u>

Reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2014. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016. This will reduce the Company's future tax charge accordingly.

9. DIVIDENDS

	31.12.17 £	31.12.16 £
Ordinary shares of £1 each		
Interim	<u>3,605,769</u>	<u>1,700,000</u>

TI Callenberg UK Limited

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

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2017	422,863	34,739	165,506	66,016	689,124
Disposals	(24,930)	-	(73,257)	-	(98,187)
At 31 December 2017	<u>397,933</u>	<u>34,739</u>	<u>92,249</u>	<u>66,016</u>	<u>590,937</u>
DEPRECIATION					
At 1 January 2017	336,316	34,166	147,008	59,757	577,247
Charge for year	25,600	573	5,666	3,002	34,841
Eliminated on disposal	(9,447)	-	(73,029)	-	(82,476)
At 31 December 2017	<u>352,469</u>	<u>34,739</u>	<u>79,645</u>	<u>62,759</u>	<u>529,612</u>
NET BOOK VALUE					
At 31 December 2017	<u>45,464</u>	<u>-</u>	<u>12,604</u>	<u>3,257</u>	<u>61,325</u>
At 31 December 2016	<u>86,547</u>	<u>573</u>	<u>18,498</u>	<u>6,259</u>	<u>111,877</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2017 and 31 December 2017	<u>411,352</u>
NET BOOK VALUE	
At 31 December 2017	<u>411,352</u>
At 31 December 2016	<u>411,352</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

European Manning Services Limited

Registered office: Building 7, Buchanan Gate, Stepps, Glasgow, G33 6FB

Nature of business: Supply of labour

Class of shares:	% holding	31.12.17	31.12.16
Ordinary	100.00	£	£
Aggregate capital and reserves		656,239	844,567
Profit for the year		<u>511,672</u>	<u>816,011</u>

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**11. FIXED ASSET INVESTMENTS - continued****TI Callenberg Japan**

Registered office: 19-16 Dialand 3-chome, Nagasaki 850 0963, Japan

Nature of business: Supplier of insulation

	%		
Class of shares:	holding		
Ordinary	100.00	31.12.17	31.12.16
		£	£
Aggregate capital and reserves		463,253	422,212
Profit for the year		<u>64,329</u>	<u>24,149</u>

TI Callenberg Korea Co

Registered office: 305 Dongsang-Ro, Onyang-Eup, Ulsan, 689-901, South Korea

Nature of business: Supplier of insulation

	%		
Class of shares:	holding		
Common Stock	100.00	31.12.17	31.12.16
		£	£
Aggregate capital and reserves		2,332,910	1,180,060
Profit for the year		<u>2,236,234</u>	<u>2,042,288</u>

The directors consider the value of the investments to be supported by their underlying assets.

12. STOCKS

	31.12.17	31.12.16
	£	£
Stocks	<u>994,060</u>	<u>802,120</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Trade debtors	1,486,573	2,433,740
Amounts recoverable on contract	-	84,417
Due by group companies	3,978,501	5,726,742
Other debtors	<u>26,845</u>	<u>7,983</u>
	<u>5,491,919</u>	<u>8,252,882</u>

The amounts owed by group companies falling due within one year includes the pooled bank balance. The amounts are interest free and repayable on demand.

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.17	31.12.16
	£	£
Payments received on account	3,570,745	6,268,426
Trade creditors	78,961	128,087
Corporation tax	367,791	309,174
Social security and other taxes	144,603	402,030
Other creditors	29,679	18,525
Owed to group companies	271,553	290,336
Accruals & deferred income	<u>96,708</u>	<u>323,539</u>
	<u>4,560,040</u>	<u>7,740,117</u>

Amounts owed to group companies are interest free and repayable on demand.

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.17	31.12.16
	£	£
Within one year	85,736	85,736
Between one and five years	<u>171,472</u>	<u>257,208</u>
	<u>257,208</u>	<u>342,944</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.17	31.12.16
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

17. RETAINED EARNINGS

	Retained earnings £
At 1 January 2017	1,837,186
Profit for the year	4,166,199
Dividends	<u>(3,605,769)</u>
At 31 December 2017	<u>2,397,616</u>

TI Callenberg UK LimitedNotes to the Financial Statements - continued
for the Year Ended 31 December 2017**18. ULTIMATE PARENT COMPANY**

The entire share capital of the company is beneficially owned by TI Marine Contracting AS which is incorporated in Norway.

The ultimate parent company and controlling party is Trident Maritime Systems, LLC which is incorporated in the USA.

Callenberg Group AB is the smallest group for which consolidated financial statements are prepared, which include these results. A copy of the consolidated financial statements may be obtained from the registered office:

Box 8833
SE 40271 Gothenberg
Sweden

Trident Maritime Systems LLC is the largest group for which consolidated financial statements are prepared, which include these results. A copy of the consolidated financial statements may be obtained from the registered office:

5690 Three Notched Rd, Suite 200
Crozet, VA 22932-317
USA

19. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities which are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Material estimates and assumptions are made in particular with regards to establishing the following policies:

(i) Estimation of costs to complete

In order to determine the profit and loss that the Company is able to recognise on its long-term contracts in a specific period, the Company has to allocate total costs of the contracts between the proportion completing in the period and the proportion to complete in a future period. The assessment of the total costs to be incurred requires a degree of estimation. However, Company management has established internal controls to review and ensure the appropriateness of estimates made. The profit is calculated on a prudent basis to reflect the proportion of work carried out at the year end, by recording turnover and related costs a contract activity progresses. Full provision is made for losses on all contracts in the year in which they are first foreseen.