

MTTG LIMITED
FINANCIAL STATEMENTS
30 JUNE 2016



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FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2016

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MTTG LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Mr S Lord
Mr W C Griffiths
Hughes Armstrong Industries Limited

COMPANY SECRETARY

Mrs J Hicks

REGISTERED OFFICE

Perfecta Works
Bath Road
Kettering
Northamptonshire
NN16 8NQ

AUDITOR

Meadows & Co Limited
Chartered accountant & statutory auditor
Headlands House
1 Kings Court
Kettering Parkway
Kettering
NN15 6WJ

MTTG LIMITED**STATEMENT OF FINANCIAL POSITION****30 JUNE 2016**

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	7	61,794	20,372
CURRENT ASSETS			
Debtors	8	1,222,574	1,813,756
Cash at bank and in hand		1,000	1,000
		<u>1,223,574</u>	<u>1,814,756</u>
CREDITORS: amounts falling due within one year	9	<u>2,703,706</u>	<u>1,834,128</u>
NET CURRENT LIABILITIES		<u>1,480,132</u>	<u>19,372</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,418,338)</u>	<u>1,000</u>
NET (LIABILITIES)/ASSETS		<u>(1,418,338)</u>	<u>1,000</u>
CAPITAL AND RESERVES			
Called up share capital		1,000	1,000
Profit and loss account		<u>(1,419,338)</u>	<u>-</u>
MEMBERS (DEFICIT)/FUNDS		<u>(1,418,338)</u>	<u>1,000</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 30 March 2017, and are signed on behalf of the board by:



Mr P J Wardle for Hughes Armstrong Industries Limited
Director

Company registration number: 08478523

MTTG LIMITED**STATEMENT OF CHANGES IN EQUITY****YEAR ENDED 30 JUNE 2016**

	Called up share capital £	Profit and loss account £	Total £
AT 1 JULY 2014	100	–	100
Profit for the year		–	–
Issue of shares	900	–	900
TOTAL INVESTMENTS BY AND DISTRIBUTIONS TO OWNERS	900	–	900
AT 30 JUNE 2015	1,000	–	1,000
Loss for the year		(1,419,338)	(1,419,338)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	–	(1,419,338)	(1,419,338)
AT 30 JUNE 2016	<u>1,000</u>	<u>(1,419,338)</u>	<u>(1,418,338)</u>

The notes on pages 4 to 8 form part of these financial statements.

MTTG LIMITED**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 30 JUNE 2016****1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Perfecta Works, Bath Road, Kettering, Northamptonshire, NN16 8NQ.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'. The July 2015 amendments to the standard have been early adopted.

3. ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company currently meets its daily working capital requirements through financial support from the shareholders.

On this basis, the directors consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from the failure to raise any additional finance that may prove necessary.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

MTTG LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30 JUNE 2016****3. ACCOUNTING POLICIES (continued)****Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit and loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit and loss. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

MTTG LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30 JUNE 2016****4. EXCEPTIONAL ITEMS**

Included in exceptional items are loans and investments written-off in relation to subsidiary undertakings totalling £1,419,338.

Halifax Machine Company Limited, a subsidiary undertaking, went into administration on 4 July 2016. The cost of this investment and loans deemed non-recoverable are included in the exceptional items noted above.

The investment in Hughes Armstrong Middle East Limited FCZ, a subsidiary undertaking has also been considered for impairment. The cost of this investment and loans deemed non-recoverable are also included in the exceptional items noted above.

5. STAFF COSTS

The average number of persons employed by the company during the year, including the directors, amounted to 3 (2015: 3).

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Other interest payable and similar charges	<u>(18,948)</u>	<u>18,948</u>

7. INVESTMENTS

	Shares in group undertakings £	Shares in participating interests £	Other investments other than loans £	Total £
Cost				
At 1 July 2015	19,332	40	1,000	20,372
Additions	<u>60,002</u>	<u>–</u>	<u>–</u>	<u>60,002</u>
At 30 June 2016	<u>79,334</u>	<u>40</u>	<u>1,000</u>	<u>80,374</u>
Impairment				
Impairment losses	<u>18,580</u>	<u>–</u>	<u>–</u>	<u>18,580</u>
At 30 June 2016	<u>18,580</u>	<u>–</u>	<u>–</u>	<u>18,580</u>
Carrying amount				
At 30 June 2016	<u>60,754</u>	<u>40</u>	<u>1,000</u>	<u>61,794</u>
At 30 June 2015	<u>19,332</u>	<u>40</u>	<u>1,000</u>	<u>20,372</u>

MTTG LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30 JUNE 2016****7. INVESTMENTS (continued)**

The Company owns 100% of the issued share capital of European Vehicle Power Systems Limited.

The company owns 88% of the issued share capital of Hughes Armstrong Middle East Limited.

The company owns 75% of the issued share capital of Halifax Machine Company Limited and GAC Rail Limited.

The company owns 40% of the issued share capital of Laser Control Systems Limited.

The company owns a 40% interest in Laser System Developments LLP.

The company also acquired 100% of the issued share capital of Dean Smith & Grace Lathes Limited, Slideway Engineering Limited, BSA Technologies Limited during the year.

European Vehicle Power Systems Limited, Halifax Machine Company Limited, GAC Rail Limited, Laser Control Systems Limited and Laser System Developments LLP are all incorporated in England and Wales.

Hughes Armstrong Middle East Limited is incorporated in Sharjah, UAE.

	2016 £	2015 £
Aggregate Capital and Reserves		
European Vehicle Power Systems Limited	(19,631)	(16,928)
Hughes Armstrong Middle East Limited FCZ	(719,545)	(320,859)
Halifax Machine Company Limited	(999,593)	(25,748)
GAC Rail Limited	158,481	90,879
Laser Control Systems Limited	(674,047)	(399,790)
Laser System Developments LLP	(214,952)	(186,553)
Dean Smith and Grace Lathes Limited	(278,305)	(189,987)
Slideway Engineering Limited	(29,771)	(6,523)
BSA Technologies Limited	26,603	–

	2016 £	2015 £
Profit / (Loss) for the year		
European Vehicle Power Systems Limited	(2,703)	(2,636)
Hughes Armstrong Middle East Limited FCZ	(428,274)	(232,156)
Halifax Machine Company Limited	(973,845)	(117,089)
GAC Rail Limited	67,602	65,968
Laser Control Systems Limited	(274,257)	(269,078)
Laser System Developments LLP	(28,419)	(1,922)
Dean Smith and Grace Lathes Limited	(88,318)	(271,882)
Slideway Engineering Limited	(23,248)	(7,802)
BSA Technologies Limited	25,603	–

Under the provision of section 398 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

MTTG LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 30 JUNE 2016****8. DEBTORS**

	2016	2015
	£	£
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,222,574	1,794,808
Other debtors	–	18,948
	<u>1,222,574</u>	<u>1,813,756</u>

9. CREDITORS: amounts falling due within one year

	2016	2015
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,683,332	1,794,808
Other creditors	20,374	39,320
	<u>2,703,706</u>	<u>1,834,128</u>

10. SUMMARY AUDIT OPINION

The auditor's report for the year, dated 30 March 2017 was unqualified.

The senior statutory auditor was David Kelland FCA, for and on behalf of Meadows & Co Limited.

11. RELATED PARTY TRANSACTIONS

The ultimate controlling party is the Hughes Armstrong Industries Limited Partnership, a limited partnership registered in England and Wales.

During the year the company undertook the following transactions with related parties:

The company received loans from the ultimate controlling party. At 30 June 2016 the amount owed by the company was £2,683,332(2015 - £1,794,808)

The company also made loans to companies in which it holds a participating interest. At 30 June 2016 the amount owing to the company was £1,222,574 (2015 - £1,794,808).

12. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 July 2014.

No transitional adjustments were required in equity or profit or loss for the year.