

Met-Clad Contracts Limited

Registered number: 03185456

Directors' report and financial statements

For the year ended 30 November 2017



MET-CLAD CONTRACTS LIMITED

COMPANY INFORMATION

Directors	M S Village A Pickering P Cosford C L Oldham T C Millichap J Lowe C Hendrick
Company secretary	C L Oldham
Registered number	03185456
Registered office	Hazelford Way Newstead Village Nottingham NG15 0DQ
Business address	Hazelford Way Newstead Village Nottingham NG15 0DQ
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 6 Dominus Way Meridian Business Park Leicester LE19 1RP
Bankers	National Westminster Bank plc 18 South Parade Nottingham NG1 2JX

MET-CLAD CONTRACTS LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 22

MET-CLAD CONTRACTS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2017**

Principal activity

The principal activity of the company during the year continued to be that of a roofing and cladding specialist.

Business review

During the year turnover increased to £19.1m from the previous year's level of just over £17.0m. Gross margin also improved, at 22.3% versus 20.8% achieved in the previous year, with the result that the company delivered an operating profit of £538,489 which is a significant improvement compared to the previous year. These results were in line with the directors' expectations and reflect a concerted focus on careful project management, a stronger marketplace and better work mix.

The company's marketplace remains challenging due to the continued uncertainty in the general macroeconomic climate. However, the Company has a long established customer base and strong reputation for high service levels, accordingly the Directors are optimistic about future prospects.

Financial risk management objectives and policies

The Company makes use of financial instruments principally through the operation of its bank accounts, including an overdraft facility and finance lease agreements and is therefore exposed to interest rate, cash flow and liquidity risk. The Directors' objectives are to retain sufficient liquid funds to enable the Company to meet its day to day obligations as they fall due and to maximise returns on surplus funds.

This report was approved by the board on 15 May 2018 and signed on its behalf.



M S Village
Director

MET-CLAD CONTRACTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2017

The Directors present their report and the Financial Statements for the year ended 30 November 2017.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 judgments 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £400,750 (2016 - £243,163).

Particulars of dividends declared are included in the notes to the financial statements.

Directors

The Directors who served during the year were:

M S Village
A Pickering
P Cosford
C L Oldham
T C Millichap
J Lowe
C Hendrick

Matters covered in the strategic report

The Company has chosen, in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out in the Strategic Report certain information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

MET-CLAD CONTRACTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2017**

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M S Village
Director

Date: 15 May 2018

MET-CLAD CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET-CLAD CONTRACTS LIMITED

Opinion

We have audited the Financial Statements of Met-Clad Contracts Limited (the 'Company') for the year ended 30 November 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 30 November 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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 included in the Annual Report, other than the Financial Statements and our Auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

MET-CLAD CONTRACTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET-CLAD CONTRACTS LIMITED (CONTINUED)

misstatement in 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 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 the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' responsibilities statement on page 2, 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 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.

MET-CLAD CONTRACTS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MET-CLAD CONTRACTS LIMITED
(CONTINUED)**

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 Auditor's 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

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 an Auditor's report 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.

Christopher Darlington (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

6 Dominus Way
Meridian Business Park
Leicester
LE19 1RP

Date:

15 May 2018

MET-CLAD CONTRACTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Note	2017 £	2016 £
Turnover	4	19,074,126	17,039,676
Cost of sales		(14,820,784)	(13,497,806)
Gross profit		<u>4,253,342</u>	<u>3,541,870</u>
Administrative expenses		(3,714,853)	(3,185,684)
Operating profit	5	538,489	356,186
Interest receivable and similar income	8	43	2
Interest payable and expenses	9	(26,622)	(42,145)
Profit before tax		511,910	314,043
Tax on profit	10	(111,160)	(70,880)
Profit and other comprehensive income for the financial year		<u><u>400,750</u></u>	<u><u>243,163</u></u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.


The notes on pages 10 to 22 form part of these financial statements.

MET-CLAD CONTRACTS LIMITED
REGISTERED NUMBER: 03185456

BALANCE SHEET
AS AT 30 NOVEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	682,332	471,485
		<u>682,332</u>	<u>471,485</u>
Current assets			
Debtors: amounts falling due within one year	13	8,795,047	8,584,564
Cash at bank and in hand	14	2,029	8,313
		<u>8,797,076</u>	<u>8,592,877</u>
Creditors: amounts falling due within one year	15	(4,941,815)	(4,751,289)
Net current assets		<u>3,855,261</u>	<u>3,841,588</u>
Total assets less current liabilities		<u>4,537,593</u>	<u>4,313,073</u>
Creditors: amounts falling due after more than one year	16	(79,436)	(95,914)
Provisions for liabilities			
Deferred tax	19	(1,475)	(5,378)
Net assets		<u><u>4,456,682</u></u>	<u><u>4,211,781</u></u>
Capital and reserves			
Called up share capital	20	1,000	1,000
Profit and loss account	21	4,455,682	4,210,781
		<u>4,456,682</u>	<u>4,211,781</u>

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

15 May 2018


M S Village
 Director

The notes on pages 10 to 22 form part of these financial statements.

MET-CLAD CONTRACTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2015	1,000	4,080,542	4,081,542
Comprehensive income for the year			
Profit for the year	-	243,163	243,163
Dividends paid on equity capital	-	(112,924)	(112,924)
At 1 December 2016	<u>1,000</u>	<u>4,210,781</u>	<u>4,211,781</u>
Comprehensive income for the year			
Profit for the year	-	400,750	400,750
Dividends paid on equity capital	-	(155,849)	(155,849)
At 30 November 2017	<u><u>1,000</u></u>	<u><u>4,455,682</u></u>	<u><u>4,456,682</u></u>

The notes on pages 10 to 22 form part of these financial statements.

MET-CLAD CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

1. General information

Met-Clad Contracts Limited is a limited liability company limited by shares and incorporated in England. The registered office is noted on the company information page. The principal activity of the Company during the year continued to be that of a roofing and cladding specialist.

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 "FRS 102" and the Companies Act 2006.

The financial statements are presented in pounds Sterling.

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's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Met-Clad Contracts Group Limited as at 30 November 2017 and these financial statements may be obtained from Companies House.

2.3 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:

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.

MET-CLAD CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.4 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, on a reducing balance and straight line basis.

Depreciation is provided on the following basis:

Leasehold property	- 2% straight line
Plant & machinery	- 15% reducing balance
Motor vehicles	- 33% reducing balance

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 Statement of Comprehensive Income.

2.5 Long term contracts

Long term contracts are determined and classified according to the provisions of FRS 102 (s23).

Revenue is recognised according to the stage of completion of the contract assessed by percentage completion and value of work done, less provisions for contingencies and losses.

Profit on long term contracts is recognised as the work progresses if the outcome of the contract can be assessed with reasonable certainty. Estimates of total contract costs and revenues are reviewed periodically and the cumulative effects of changes are recognised in the period in which they are identified. All known or anticipated losses are provided for in full as soon as they are foreseen.

Revenues recognised in excess of amounts billed are classified as amounts recoverable on contracts and included in debtors. Net costs incurred in excess of amounts transferred to cost of sales are classified as long-term contract balances. Amounts billed in excess of revenues recognised to date are deducted from related long-term balances with any residual balance being classified as payments on account and included in creditors. Long-term contract balances are stated at contract cost incurred less amounts transferred to cost of sales, foreseeable losses and payments on account.

2.6 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.

MET-CLAD CONTRACTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2017

2. Accounting policies (continued)

2.7 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.

2.8 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, and loans to related parties.

2.9 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.

2.10 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Final equity dividends are recognised when approved by the shareholders.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.13 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.

2.14 Interest income

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

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

2. Accounting policies (continued)

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.16 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.

2.17 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.

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The only source of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the long term contracts discussed in note 2.5.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

5. Operating profit

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

	2017	2016
	£	£
Depreciation of owned tangible fixed assets	56,947	60,734
Depreciation of leased tangible fixed assets	130,713	96,361
Profit on disposal of fixed assets	(2,210)	(3,890)
Operating lease rentals - plant and machinery	31,441	31,441
Operating lease rental - property	49,000	49,000
Defined contribution pension cost	163,480	47,735

Auditor's remuneration is disclosed on behalf of the Group within the consolidated financial statements of Met-Clad Contracts Group Limited.

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

6. Employees

Staff costs, including Directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	2,499,999	2,461,872
Social security costs	265,877	229,789
Cost of defined contribution scheme	163,480	47,735
	<u>2,929,356</u>	<u>2,739,396</u>

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

	2017 No.	2016 No.
Production	10	16
Office and management	43	42
	<u>53</u>	<u>58</u>

7. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	764,440	432,670
Company contributions to defined contribution pension schemes	133,664	18,148
	<u>898,104</u>	<u>450,818</u>

During the year retirement benefits were accruing to 7 directors (2016 - 7) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £251,138 (2016 - £155,725).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,000 (2016 - £8,000).

8. Interest receivable

	2017 £	2016 £
Other interest receivable	43	2
	<u>43</u>	<u>2</u>

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

9. Interest payable and similar charges

	2017	2016
	£	£
Bank interest payable	2,592	14,862
Finance leases	24,030	27,283
	<u>26,622</u>	<u>42,145</u>

10. Taxation

	2017	2016
	£	£
Corporation tax		
Current tax on profits for the year	115,063	73,148
Adjustments in respect of previous periods	-	7,354
Total current tax	<u>115,063</u>	<u>80,502</u>
Deferred tax		
Origination and reversal of timing differences	(3,903)	(8,788)
Changes to tax rates	-	(834)
Total deferred tax	<u>(3,903)</u>	<u>(9,622)</u>
Taxation on profit on ordinary activities	<u>111,160</u>	<u>70,880</u>

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.33% (2016 - 20%). The differences are explained below:

	2017	2016
	£	£
Profit on ordinary activities before tax	511,910	314,043
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.33% (2016 - 20%)	98,960	62,809
Effects of:		
Expenses not deductible for tax purposes	7,520	10,967
Capital allowances for year in excess of depreciation	4,144	(3,406)
Adjustments to tax charge in respect of prior periods	-	7,354
Other short term timing differences	-	(6,804)
Other differences	-	(2)
Adjustment to tax rates	536	(38)
Total tax charge for the year	111,160	70,880

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	2017	2016
	£	£
Ordinary shares	155,849	112,924

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

12. Tangible fixed assets

	Leasehold property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 December 2016	74,566	181,381	758,176	1,014,123
Additions	147,562	1,687	269,071	418,320
Disposals	-	-	(75,866)	(75,866)
At 30 November 2017	<u>222,128</u>	<u>183,068</u>	<u>951,381</u>	<u>1,356,577</u>
Depreciation				
At 1 December 2016	11,214	146,661	384,763	542,638
Charge for the year	1,491	6,209	179,960	187,660
Disposals	-	-	(56,053)	(56,053)
At 30 November 2017	<u>12,705</u>	<u>152,870</u>	<u>508,670</u>	<u>674,245</u>
Net book value				
At 30 November 2017	<u>209,423</u>	<u>30,198</u>	<u>442,711</u>	<u>682,332</u>
At 30 November 2016	<u>63,352</u>	<u>34,720</u>	<u>373,413</u>	<u>471,485</u>

The net book value of assets held under finance leases, included above, are as follows:

	2017 £	2016 £
Motor vehicles	<u>302,297</u>	<u>244,926</u>

13. Debtors

	2017 £	2016 £
Trade debtors	3,209,934	2,438,952
Amounts owed by group undertakings	3,628,599	3,686,828
Prepayments and accrued income	330,949	274,384
Amounts recoverable on long term contracts	1,625,565	2,184,400
	<u>8,795,047</u>	<u>8,584,564</u>

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

13. Debtors (continued)

Included within trade debtors are rententions due after more than one year of £76,704 (2016 - £59,699).

14. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	2,029	8,313
Less: bank overdrafts	(716,394)	(678,403)
	<u>(714,365)</u>	<u>(670,090)</u>

15. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank overdraft	716,394	678,403
Trade creditors	3,205,646	3,309,116
Corporation tax	115,063	73,148
Other taxation and social security	380,691	266,646
Obligations under finance lease contracts	114,813	107,746
Other creditors	70,063	13,205
Accruals and deferred income	339,145	303,025
	<u>4,941,815</u>	<u>4,751,289</u>

The bank overdraft is included within the cross guarantee relating to the Met-Clad Contracts Group Limited total bank borrowing and secured by legal charge over the freehold property of the Group and fixed and floating charges over other assets of the Group.

Obligations under finance lease contracts are secured on the relevant assets.

16. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance lease contracts	79,436	95,914

Obligations under finance lease contracts are secured on the relevant assets.

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

17. Finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
	£	£
Within one year	114,813	107,746
Between 1-2 years	62,383	74,369
Between 2-5 years	17,053	21,433
	<u>194,249</u>	<u>203,548</u>

18. Financial instruments

	2017	2016
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	2,029	8,313
Financial assets that are debt instruments measured at amortised cost	8,464,098	8,310,180
	<u>8,466,127</u>	<u>8,318,493</u>
Financial liabilities		
Financial liabilities that are debt instruments measured at amortised cost	3,992,103	4,000,724

Financial assets measured at fair value through profit or loss comprise of bank, cash and deposit balances.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts recoverable on contracts; and amounts owed by group undertakings.

Financial liabilities that are debt instruments measured at amortised cost comprise trade creditors, bank loan and overdraft; and other creditors.

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

19. Deferred taxation

	2017	2016
	£	£
At beginning of year	(5,378)	(15,000)
Charged to profit or loss	3,903	9,622
At end of year	<u>(1,475)</u>	<u>(5,378)</u>

The provision for deferred taxation is made up as follows:

	2017	2016
	£	£
Accelerated capital allowances	(13,099)	(6,045)
Short term timing differences	11,624	667
	<u>(1,475)</u>	<u>(5,378)</u>

20. Share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares shares of £1 each	<u>1,000</u>	<u>1,000</u>

21. Reserves

Profit & loss account

The profit and loss account represents current and previous years retained profits and losses.

22. Contingent liabilities

The Company is party to a cross guarantee relating to the Met-Clad Contracts Group Limited total bank borrowing of £716,394 (2016 - £678,403).

23. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £163,480 (2016 - £47,735).

MET-CLAD CONTRACTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2017**

24. Commitments under operating leases

At 30 November 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	15,080	31,441
Later than 1 year and not later than 5 years	3,837	15,149
	<u>18,917</u>	<u>46,590</u>

25. Related party transactions

The Company has taken advantage of the exemptions available in accordance with Financial Reporting Standard 102 not to disclose transactions entered into with other group companies, as the Company is a wholly owned subsidiary of the Group.

Key management personnel are considered to be the Directors of the Company and their remuneration is disclosed in note 7.

26. Immediate and ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Met-Clad Contracts Group Limited, a Company registered in England & Wales.

The smallest and largest group in which these accounts are consolidated is the group headed by Met-Clad Contracts Group Limited, copies of whose financial statements may be obtained from the Registrar of Companies.

The Company is controlled by M S Village by virtue of his controlling interest in the issued equity share capital of the immediate and ultimate parent company Met-Clad Contracts Group Limited.