

# Met-Clad Contracts Limited

Registered number: 03185456

## Directors' report and financial statements

For the year ended 30 November 2015



# **MET-CLAD CONTRACTS LIMITED**

## **COMPANY INFORMATION**

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**DIRECTORS**

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

**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**

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# **MET-CLAD CONTRACTS LIMITED**

## **STRATEGIC REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015**

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### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was that of a roofing and cladding specialist.

### **REVIEW BUSINESS**

During the year turnover increased by 27.5% to £19,204,377. Gross margin fell however, from 20.5% to 15.8% due to the competitive marketplace. Consequently, operating profit was broadly in line with the previous year at £355,896 compared to £368,262 in 2014. These results are in line with the director expectations.

The company's marketplace remains challenging due to the continued uncertainty in the general macro-economic climate. However, the company has a long established customer base and strong reputation for high service levels, accordingly the director is 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 hire purchase 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 *28 July 2016* and signed on its behalf.



M S Village  
Director

# **MET-CLAD CONTRACTS LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015**

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The directors present their report and the audited financial statements for the year ended 30 November 2015.

### **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 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 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 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.

### **DIRECTORS**

The directors who served during the year were:

M S Village  
A Pickering  
P Cosford  
S J A Collinson (resigned 12 October 2015)  
C L Oldham (appointed 1 April 2015)  
T C Millichap (appointed 1 June 2015)

### **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 that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that 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.

# MET-CLAD CONTRACTS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2015

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### 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 on *28 July 2016* and signed on its behalf.



M S Village  
Director

# **MET-CLAD CONTRACTS LIMITED**

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

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We have audited the financial statements of Met-Clad Contracts Limited for the year ended 30 November 2015 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. 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.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2015 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.

### **OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **MET-CLAD CONTRACTS LIMITED**

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

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### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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.

Christopher Darlington (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

10 August 2016



# MET-CLAD CONTRACTS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2015

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|  | Note       | 2015<br>£    | 2014<br>£    |
|--|------------|--------------|--------------|
| <b>TURNOVER</b>                                      | <b>1,2</b> | 19,204,377   | 15,060,467   |
| Cost of sales  |            | (16,161,100) | (11,965,890) |
|  |            | <hr/>        | <hr/>        |
| <b>GROSS PROFIT</b>                                  |            | 3,043,277    | 3,094,577    |
| Administrative expenses                              |            | (2,721,827)  | (2,726,315)  |
|  |            | <hr/>        | <hr/>        |
| <b>OPERATING PROFIT</b>                              | <b>3</b>   | 321,450      | 368,262      |
| Interest receivable and similar income               |            | 172          | 23           |
| Interest payable and similar charges                 | <b>6</b>   | (33,828)     | (38,692)     |
|  |            | <hr/>        | <hr/>        |
| <b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b> |            | 287,794      | 329,593      |
| Tax on profit on ordinary activities                 | <b>7</b>   | (67,499)     | (68,686)     |
|  |            | <hr/>        | <hr/>        |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                 | <b>14</b>  | 220,295      | 260,907      |
|  |            | <hr/> <hr/>  | <hr/> <hr/>  |

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.


# MET-CLAD CONTRACTS LIMITED

Registered number: 03185456

## BALANCE SHEET AS AT 30 NOVEMBER 2015

|  | Note | £                  | 2015<br>£        | £                  | 2014<br>£        |
|--|------|--------------------|------------------|--------------------|------------------|
| <b>FIXED ASSETS</b>  |      |                    |                  |                    |                  |
| Tangible assets  | 8    |                    | 452,045          |                    | 421,217          |
| <b>CURRENT ASSETS</b>  |      |                    |                  |                    |                  |
| Debtors  | 9    | 9,236,907          |                  | 7,524,327          |                  |
| Cash at bank   |      | 16,836             |                  | 71,204             |                  |
|  |      | <u>9,253,743</u>   |                  | <u>7,595,531</u>   |                  |
| <b>CREDITORS: amounts falling due within one year</b>          | 10   | <u>(5,539,480)</u> |                  | <u>(3,800,495)</u> |                  |
| <b>NET CURRENT ASSETS</b>                                      |      |                    | <u>3,714,263</u> |                    | <u>3,795,036</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>                   |      |                    | <u>4,166,308</u> |                    | <u>4,216,253</u> |
| <b>CREDITORS: amounts falling due after more than one year</b> | 11   |                    | (69,766)         |                    | (132,807)        |
| <b>PROVISIONS FOR LIABILITIES</b>                              |      |                    |                  |                    |                  |
| Deferred tax   | 12   |                    | (15,000)         |                    | (4,000)          |
| <b>NET ASSETS</b>  |      |                    | <u>4,081,542</u> |                    | <u>4,079,446</u> |
| <b>CAPITAL AND RESERVES</b>                                    |      |                    |                  |                    |                  |
| Called up share capital  | 13   |                    | 1,000            |                    | 1,000            |
| Profit and loss account  | 14   |                    | <u>4,080,542</u> |                    | <u>4,078,446</u> |
| <b>SHAREHOLDERS' FUNDS</b>                                     | 15   |                    | <u>4,081,542</u> |                    | <u>4,079,446</u> |

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

28 July 2016  


M S Village  
Director

The notes on pages 8 to 16 form part of these financial statements.

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

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### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### 1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

#### 1.3 Turnover

Turnover which is net of value added tax and trade discounts represents the value of contract work done in the year.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

#### 1.5 Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

#### 1.6 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

#### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

# **MET-CLAD CONTRACTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015**

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### **1. ACCOUNTING POLICIES (continued)**

#### **1.8 Long-term contracts**

Long term contracts are determined and classified according to the provisions of Statement of Standard Accounting Practice 9.

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.

#### **1.9 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### **1.10 Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

### **2. TURNOVER**

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

All turnover arose within the United Kingdom.

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 3. OPERATING PROFIT

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

|  | 2015<br>£                   | 2014<br>£                   |
|--|-----------------------------|-----------------------------|
| Depreciation of tangible fixed assets:   |                             |                             |
| - owned by the company                   | 17,533                      | 10,856                      |
| - held under hire purchase               | 125,549                     | 131,083                     |
| Operating lease rentals:                 |                             |                             |
| - plant and machinery                    | 11,867                      | 12,144                      |
| (Profit)/loss on sale of tangible assets | (14,071)                    | 2,755                       |
|  | <u>                    </u> | <u>                    </u> |

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

### 4. STAFF COSTS

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

|                       | 2015<br>£                   | 2014<br>£                   |
|-----------------------|-----------------------------|-----------------------------|
| Wages and salaries    | 2,416,111                   | 2,397,168                   |
| Social security costs | 237,897                     | 247,041                     |
| Other pension costs   | 61,577                      | 28,387                      |
|                       | <u>                    </u> | <u>                    </u> |
|                       | <u>2,715,585</u>            | <u>2,672,596</u>            |

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

|                       | 2015<br>No.                 | 2014<br>No.                 |
|-----------------------|-----------------------------|-----------------------------|
| Production            | 25                          | 24                          |
| Office and management | 42                          | 39                          |
|                       | <u>                    </u> | <u>                    </u> |
|                       | <u>67</u>                   | <u>63</u>                   |

### 5. DIRECTORS' REMUNERATION

|   | 2015<br>£                   | 2014<br>£                   |
|---|-----------------------------|-----------------------------|
| Remuneration  | 405,083                     | 266,833                     |
|   | <u>                    </u> | <u>                    </u> |
| Contributions to defined contribution pension schemes | 23,634                      | 19,425                      |
|   | <u>                    </u> | <u>                    </u> |

During the year retirement benefits were accruing to 5 directors (2014 - 4) in respect of defined contribution pension schemes.

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

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### 5. DIRECTORS' REMUNERATION (continued)

The highest paid director received remuneration of £127,112 (2014 - £133,333).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,938 (2014 - £7,750).

### 6. INTEREST PAYABLE

|                            | 2015<br>£     | 2014<br>£     |
|----------------------------|---------------|---------------|
| On bank overdraft          | 7,903         | 11,400        |
| On hire purchase contracts | 25,925        | 27,292        |
|                            | <u>33,828</u> | <u>38,692</u> |

### 7. TAXATION

|  | 2015<br>£     | 2014<br>£     |
|--|---------------|---------------|
| <b>Analysis of tax charge in the year</b>        |               |               |
| <b>Current tax (see note below)</b>              |               |               |
| UK corporation tax charge on profit for the year | 58,000        | 84,000        |
| Adjustments in respect of prior periods          | (1,501)       | (4)           |
| <b>Total current tax</b>                         | <u>56,499</u> | <u>83,996</u> |
| <b>Deferred tax (note 12)</b>                    |               |               |
| Origination and reversal of timing differences   | 11,000        | (15,310)      |
| <b>Tax on profit on ordinary activities</b>      | <u>67,499</u> | <u>68,686</u> |

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 7. TAXATION (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20% (2014 - 21%). The differences are explained below:

|  | 2015<br>£ | 2014<br>£ |
|--|-----------|-----------|
| Profit on ordinary activities before tax   | 287,794   | 329,593   |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21%) | 58,513    | 69,215    |
| <b>Effects of:</b>   |           |           |
| Expenses not deductible for tax purposes   | 4,042     | 73        |
| Difference between capital allowances and depreciation   | (6,314)   | 13,678    |
| Adjustments to tax charge in respect of prior periods  | (1,501)   | (4)       |
| Other differences  | 2,143     | 2,510     |
| Marginal relief  | (384)     | (1,476)   |
| <b>Current tax charge for the year</b> (see note above)  | 56,499    | 83,996    |

### 8. TANGIBLE FIXED ASSETS

|                       | Leasehold<br>property<br>£ | Plant &<br>machinery<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|-----------------------|----------------------------|---------------------------|------------------------|------------|
| <b>Cost</b>           |                            |                           |                        |            |
| At 1 December 2014    | 74,567                     | 174,879                   | 672,033                | 921,479    |
| Additions             | -                          | 4,184                     | 185,390                | 189,574    |
| Disposals             | -                          | -                         | (82,673)               | (82,673)   |
| At 30 November 2015   | 74,567                     | 179,063                   | 774,750                | 1,028,380  |
| <b>Depreciation</b>   |                            |                           |                        |            |
| At 1 December 2014    | 8,231                      | 131,860                   | 360,171                | 500,262    |
| Charge for the year   | 1,491                      | 7,808                     | 133,783                | 143,082    |
| On disposals          | -                          | -                         | (67,009)               | (67,009)   |
| At 30 November 2015   | 9,722                      | 139,668                   | 426,945                | 576,335    |
| <b>Net book value</b> |                            |                           |                        |            |
| At 30 November 2015   | 64,845                     | 39,395                    | 347,805                | 452,045    |
| At 30 November 2014   | 66,336                     | 43,019                    | 311,862                | 421,217    |

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 8. TANGIBLE FIXED ASSETS (continued)

The net book value of assets held under hire purchase contracts, included above, is as follows:

|                     | 2015<br>£      | 2014<br>£      |
|---------------------|----------------|----------------|
| Plant and machinery | 21,847         | 25,702         |
| Motor vehicles      | 281,166        | 305,909        |
|                     | <u>303,013</u> | <u>331,611</u> |

### 9. DEBTORS

|  | 2015<br>£        | 2014<br>£        |
|--|------------------|------------------|
| Trade debtors                              | 3,016,734        | 2,019,836        |
| Amounts owed by group undertakings         | 3,726,599        | 3,774,182        |
| Prepayments and accrued income             | 255,616          | 223,381          |
| Amounts recoverable on long term contracts | 2,237,958        | 1,506,928        |
|  | <u>9,236,907</u> | <u>7,524,327</u> |

Included within trade debtors are retentions due after more than one year of £195,897 (2014 - £130,043).

### 10. CREDITORS: Amounts falling due within one year

|   | 2015<br>£        | 2014<br>£        |
|---|------------------|------------------|
| Bank overdraft                                | 805,605          | 196,468          |
| Net obligations under hire purchase contracts | 146,131          | 120,232          |
| Trade creditors                               | 3,649,118        | 2,667,428        |
| Amounts owed to group undertakings            | 4,154            | 4,154            |
| Corporation tax                               | 58,000           | 84,000           |
| Other taxation and social security            | 652,422          | 452,994          |
| Other creditors                               | 22,802           | 19,433           |
| Accruals and deferred income                  | 201,248          | 255,786          |
|   | <u>5,539,480</u> | <u>3,800,495</u> |

The bank overdraft is secured by a legal charge over group freehold property, a fixed and floating charge over all assets of the company, and a cross guarantee with certain group undertakings.

Obligations under hire purchase contracts are secured on the relevant assets.



# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

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### 11. CREDITORS:

#### Amounts falling due after more than one year

|   | 2015<br>£ | 2014<br>£ |
|---|-----------|-----------|
| Net obligations under hire purchase contracts | 69,766    | 132,807   |

Obligations under hire purchase contracts, included above, are payable as follows:

|                            | 2015<br>£ | 2014<br>£ |
|----------------------------|-----------|-----------|
| Between one and five years | 69,766    | 132,807   |

Obligations under hire purchase contracts are secured on the relevant assets.

### 12. DEFERRED TAXATION

|                      | 2015<br>£ | 2014<br>£ |
|----------------------|-----------|-----------|
| At beginning of year | 4,000     | 19,310    |
| Charge for year      | 11,000    | (15,310)  |
| At end of year       | 15,000    | 4,000     |

The provision for deferred taxation is made up as follows:

|                                | 2015<br>£ | 2014<br>£ |
|--------------------------------|-----------|-----------|
| Accelerated capital allowances | 15,000    | 4,000     |

### 13. SHARE CAPITAL

|   | 2015<br>£ | 2014<br>£ |
|---|-----------|-----------|
| <b>Allotted, called up and fully paid</b> |           |           |
| 1,000 Ordinary shares of £1 each          | 1,000     | 1,000     |

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

### 14. RESERVES

|                                 | <b>Profit and<br/>loss account<br/>£</b> |
|---------------------------------|--|
| At 1 December 2014              | 4,078,446                                |
| Profit for the financial year   | 220,295                                  |
| Equity dividends paid (note 16) | (218,199)                                |
|                                 | <hr/>                                    |
| At 30 November 2015             | <u>4,080,542</u>                         |

### 15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

|                               | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|-------------------------------|-------------------|-------------------|
| Opening shareholders' funds   | 4,079,446         | 3,944,258         |
| Profit for the financial year | 220,295           | 260,907           |
| Dividends (note 16)           | (218,199)         | (125,719)         |
|                               | <hr/>             | <hr/>             |
| Closing shareholders' funds   | <u>4,081,542</u>  | <u>4,079,446</u>  |

### 16. DIVIDENDS

|                                  | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|----------------------------------|-------------------|-------------------|
| Dividends paid on equity capital | <u>218,199</u>    | <u>125,719</u>    |

### 17. CONTINGENT LIABILITIES

The company is party to a cross guarantee relating to the Met-Clad Contracts Group Limited total bank borrowing of £805,605 (2014: £196,468).

The company also has contingent liabilities in respect of performance bonds on certain contracts for £86,000 (2014 - £366,000).

### 18. PENSION COMMITMENTS

The company operates a defined contribution 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 £61,577 (2014 - £28,387).

# MET-CLAD CONTRACTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2015

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### 19. OPERATING LEASE COMMITMENTS

At 30 November 2015 the company had annual commitments under non-cancellable operating leases as follows:

|                       | 2015<br>£     | 2014<br>£     |
|-----------------------|---------------|---------------|
| <b>Expiry date:</b>   |               |               |
| Within 1 year         | 1,890         | 5,493         |
| Between 2 and 5 years | 30,276        | 4,917         |
|                       | <u>32,166</u> | <u>10,410</u> |

### 20. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with other group entities whose voting rights are 100% controlled by the group.

### 21. 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, Companies House, Cardiff.

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.