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REGISTERED NUMBER 02521221 (England and Wales)

COMPONENT PROCESS AND REPAIR LIMITED

REPORT OF THE DIRECTOR AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

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COMPONENT PROCESS AND REPAIR LIMITED (REGISTERED NUMBER 02521221)

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FOR THE YEAR ENDED 31 DECEMBER 2011

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

DIRECTOR.	Mr N A Geall
SECRETARY	Mr K L R Lewis
REGISTERED OFFICE	Unit 2 Dickinson Place South Bersted Business Park Bognor Regis West Sussex PO22 9QU
REGISTERED NUMBER	02521221 (England and Wales)
AUDITORS·	Rothmans LLP Chartered Accountants & Statutory Auditors 24 Park Road South Havant Hampshire PO9 1HB

COMPONENT PROCESS AND REPAIR LIMITED (REGISTERED NUMBER 02521221)

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2011

The director presents his report with the financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of aviation and industrial gas turbine repair

REVIEW OF BUSINESS
The results for the year and financial position of the company are as shown in the annexed financial statements

DIVIDENDS
The director does not recommend the payment of a dividend (2010 £nil)

FUTURE DEVELOPMENTS
The company intends to consolidate its financial position in the forthcoming year in accordance with its business plan

DIRECTOR
Mr N A Geall held office during the whole of the period from 1 January 2011 to the date of this report

STATEMENT OF DIRECTOR'S RESPONSIBILITIES
The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006 He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the director is 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 he 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

AUDITORS
The auditors, Rothmans LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD.

Mr N A Geall - Director

Date 11th December 2012.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMPONENT PROCESS AND REPAIR LIMITED

We have audited the financial statements of Component Process and Repair Limited for the year ended 31 December 2011 on pages four to eleven 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)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of director and auditors
As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements
- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss 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 other matter prescribed by the Companies Act 2006
In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements

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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Richard Hutchinson (Senior Statutory Auditor)
for and on behalf of Rothmans LLP
Chartered Accountants & Statutory Auditors
24 Park Road South
Havant
Hampshire
PO9 1HB

Date 12 December 2012

COMPONENT PROCESS AND REPAIR LIMITED (REGISTERED NUMBER 02521221)

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
TURNOVER		**1,441,553**	1,106,622
Cost of sales		**969,555**	842,225
GROSS PROFIT		**471,998**	264,397
Administrative expenses		**462,563**	472,840
OPERATING PROFIT/(LOSS)	3	**9,435**	(208,443)
Interest payable and similar charges	4	**3,250**	1,397
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**6,185**	(209,840)
Tax on profit/(loss) on ordinary activities	5	**10,019**	(58,774)
LOSS FOR THE FINANCIAL YEAR		**(3,834)**	(151,066)

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the losses for the current year or previous year

The notes form part of these financial statements

COMPONENT PROCESS AND REPAIR LIMITED (REGISTERED NUMBER 02521221)

BALANCE SHEET
31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Tangible assets	6		**241,804**		243,916
CURRENT ASSETS					
Stocks	7	**196,762**		132,598	
Debtors	8	**366,295**		370,246	
Cash at bank and in hand		**156,386**		111,377	
		719,443		614,221	
CREDITORS					
Amounts falling due within one year	9	**500,066**		393,122	
NET CURRENT ASSETS			**219,377**		221,099
TOTAL ASSETS LESS CURRENT LIABILITIES			**461,181**		465,015
CAPITAL AND RESERVES					
Called up share capital	12		**745,320**		745,320
Profit and loss account	13		**(284,139)**		(280,305)
SHAREHOLDERS' FUNDS	19		**461,181**		465,015

The financial statements were approved by the director on 11th December 2012. and were signed by

Mr N A Geall - Director

The notes form part of these financial statements

1 ACCOUNTING POLICIES

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

Financial Reporting Standard Number 1
Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements

Turnover
Turnover represents the amount invoiced by the company for goods and services provided in the normal course of business

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

Improvements to property	- 20% on reducing balance
Plant and machinery	- 15% on reducing balance
Computer equipment	- 20% straight line

Stocks
Stocks and work in progress 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 attributable overheads

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

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

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

2 STAFF COSTS

	2011	2010
	£	£
Wages and salaries	**500,701**	472,722
Social security costs	**54,636**	48,604
Other pension costs	**5,540**	6,504
	560,877	527,830

2 STAFF COSTS - continued

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

	2011	2010
Manufacturing	12	11
Administrative	5	5
	17	16

3 OPERATING PROFIT/(LOSS)

The operating profit (2010 - operating loss) is stated after charging

	2011 £	2010 £
Other operating leases	41,196	-
Depreciation - owned assets	47,339	40,901
Loss on disposal of fixed assets	-	17,114
Auditors' remuneration	11,000	14,350
All other services	5,925	6,504
Director's remuneration	68,038	72,620
Director's pension contributions to money purchase schemes	3,330	3,250

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

Money purchase schemes	1	1

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Inter-group loan interest	3,250	1,397

5 TAXATION

Analysis of the tax charge/(credit)
The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Deferred tax		
Origination and reversal of timing differences	(3,030)	(17,483)
Movement in losses	5,423	(43,205)
Effect of change in tax rate	5,507	1,914
Prior year over provision	2,119	-
Total deferred tax	10,019	(58,774)
Tax on profit/(loss) on ordinary activities	10,019	(58,774)

5 **TAXATION - continued**

Factors affecting the tax charge/(credit)
The tax assessed for the year is lower than the standard rate of corporation tax in the UK The difference is explained below

	2011 £	2010 £
Profit/(loss) on ordinary activities before tax	6,185	(209,840)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 28%)	1,608	(58,755)
Effects of		
Expenses not deductible for tax purposes	985	-
Depreciation in excess of capital allowances	753	16,244
Utilisation of tax losses	(5,875)	43,205
Other short term timing differences	2,529	(694)
Current tax charge/(credit)	-	-

Factors that may affect future tax charges
The company has a deferred tax asset of £41,667 (2010 £51,686) Tax losses carried forward are £151,184 (2010 £181,643)

6 **TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 January 2011	75,691	473,924	60,082	609,697
Additions	29,450	14,815	962	45,227
At 31 December 2011	105,141	488,739	61,044	654,924
DEPRECIATION				
At 1 January 2011	5,987	314,670	45,124	365,781
Charge for year	17,609	25,521	4,209	47,339
At 31 December 2011	23,596	340,191	49,333	413,120
NET BOOK VALUE				
At 31 December 2011	81,545	148,548	11,711	241,804
At 31 December 2010	69,704	159,254	14,958	243,916

7 STOCKS

	2011	2010
	£	£
Stocks	83,125	52,649
Work-in-progress	113,637	79,949
	196,762	132,598

8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	197,973	233,867
Amounts owed by group undertakings	88,705	27,612
Other debtors	12,430	-
Tax	-	35,178
Deferred tax asset	41,667	51,686
Prepayments and accrued income	25,520	21,903
	366,295	370,246

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade creditors	124,672	127,049
Amounts owed to group undertakings	251,260	193,085
Social security and other taxes	18,796	15,283
VAT	41,952	948
Pension control	688	-
Accruals and deferred income	62,698	56,757
	500,066	393,122

10 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year.

	Land and buildings	
	2011	2010
	£	£
Expiring		
Between one and five years	46,250	-

11 DEFERRED TAX

	£
Balance at 1 January 2011	(51,686)
Charge to profit and loss of £10,019 analysed below	
Capital allowances in excess of depreciation	(696)
Losses utilised	5,423
Other short term timing differences	(2,334)
Effect of change in tax rate	5,507
Over provision in prior year	2,119
Balance at 31 December 2011	(41,667)

The director has recognised tax losses of £151,184 (2010 £181,643) at the substantially enacted tax rate of 24% (2010 27%) on the basis that it is probable that sufficient taxable profits will be made in the foreseeable future

Closing deferred tax balances have been calculated at 24% (2010 27%) on the basis that this was the main rate of corporation tax with effect from 1 April 2012

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Number	Class	Nominal value	2011 £	2010 £
745,320	Ordinary	£1	745,320	745,320

13 RESERVES

	Profit and loss account £
At 1 January 2011	(280,305)
Deficit for the year	(3,834)
At 31 December 2011	(284,139)

14 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 Contributions payable for the year are £5,540 (2010 - £6,504) Amounts outstanding at the year end totalled £688 (2010 - nil)

15 ULTIMATE PARENT COMPANY

The company's ultimate parent company is the SENER Group, a Spanish company whose registered office is Avenida de Zugazarte 56, 48930, Vizcaya, Spain The intermediate parent company is Industria de Turbo Propulsores S A, incorporated in Spain whose registered office is Parque Tecnologico 300, 48170 Zamudio, Vizcaya, Spain

The consolidated financial statements of these groups are available to the public and may be obtained from the addresses given above

16 CAPITAL COMMITMENTS

	2011	2010
	£	£
Contracted but not provided for in the financial statements	**7,080**	-

17 RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group

18 ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the Founder Family of the SENER Group

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£	£
Loss for the financial year	**(3,834)**	(151,066)
Net reduction of shareholders' funds	**(3,834)**	(151,066)
Opening shareholders' funds	**465,015**	616,081
Closing shareholders' funds	**461,181**	465,015