REGISTERED NUMBER: 02521221 (England and Wales)

COMPONENT PROCESS AND REPAIR LIMITED

REPORT OF THE DIRECTOR AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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FOR THE YEAR ENDED 31 DECEMBER 2016

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

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 Audit LLP Chartered Accountants & Statutory Auditors 24 Park Road South Havant Hampshire PO9 1HB

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his report with the financial statements of the company for the year ended 31 December 2016.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR
Mr N A Geall held office during the whole of the period from 1 January 2016 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;

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 Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr N A Geall - Director

2 August 2017

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 2016 on pages four to nine. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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 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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

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

2 August 2017

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
TURNOVER		**1,446,020**	1,540,685
Cost of sales		**951,381**	1,295,720
GROSS PROFIT		**494,639**	244,965
Administrative expenses		**446,345**	461,297
OPERATING PROFIT/(LOSS)	4	**48,294**	(216,332)
Interest payable and similar expenses		**1,019**	1,943
PROFIT/(LOSS) BEFORE TAXATION		**47,275**	(218,275)
Tax on profit/(loss)		**16,305**	(29,027)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**30,970**	(189,248)

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	5		**168,227**		170,775
CURRENT ASSETS					
Stocks		**239,054**		288,459	
Debtors	6	**566,721**		462,045	
Cash at bank and in hand		**54,422**		58,075	
		860,197		808,579	
CREDITORS					
Amounts falling due within one year	7	**759,225**		741,125	
NET CURRENT ASSETS			**100,972**		67,454
TOTAL ASSETS LESS CURRENT LIABILITIES			**269,199**		238,229
CAPITAL AND RESERVES					
Called up share capital			**745,320**		745,320
Retained earnings			**(476,121)**		(507,091)
SHAREHOLDERS' FUNDS			**269,199**		238,229

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the director on 2 August 2017 and were signed by:

Mr N A Geall - Director

The notes form part of these financial statements

1. STATUTORY INFORMATION

Component Process and Repair Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£) and rounded to the nearest pound (£).

The financial statements relate to Component Process and Repair Limited as an individual entity.

Significant judgements and estimates
In preparing these accounts the director has used his judgement, and made estimates which will have an impact on the value of items reported in the balance sheet and profit and loss account. The actual outcome of these estimates may differ from the figure included in these accounts.

There were no areas of material judgement relating to the application of accounting policy. Estimates made in the preparation of these accounts include:

Stock and work in progress

Costs incurred in bringing stock and work in progress to its current condition may not be fully recoverable. The director reviews post year end recoveries as a basis for making provisions against carrying values, as well as considering future costs to complete against sales values. The age and condition of stock also has to be considered in light of technical obsolescence and future demand.Such estimates cannot be precise and rely on management's knowledge and experience of the sector.

The overhead recovery rate used in calculating cost is also subject to estimates of budgeted direct and indirect labour costs, other indirect costs, relevant overheads and expected productive and non-productive hours. Variations in these are inevitable, and may lead to over or under recovery of costs.

Debtors

Where trade debtors are overdue, the director has considered the necessity for provision against recovery. In making such provisions regard is given to other on-going work, reasons for delays in settlement, customer stock held as possible security over unpaid debt, and client risk.

Tangible fixed assets

In determining rates of depreciation relevant to different classes of tangible fixed assets, the director has estimated both residual values and useful economic lives. Such estimates may vary from actual values recovered on disposal, or the viable lifespan of equipment, due to technological changes, breakdown or other factors beyond the company's control. In considering depreciation rates, the director has also reviewed assets for separable material components that may require differing core assumptions.

Turnover
Turnover represents the amount invoiced by the company for goods and services provided in the normal course of business. Economic benefit is judged to pass to the customer when goods are despatched with an appropriate certificate of conformity to the relevant regulatory regime. Revenue is recognised on the basis of goods so despatched.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Plant and machinery etc - 20% straight line, 15% on cost and 15% on reducing balance

2. **ACCOUNTING POLICIES - continued**

Stocks
Stocks and work in progress are valued at the lower of cost and expected selling price less costs to complete and sell, after making due allowance for obsolete and slow moving items. Cost, using the first-in, first-out method, includes all direct expenditure and an appropriate proportion of attributable overheads.

Financial instruments
Financial instruments are recognised in line with Sections 11 and 12 of FRS 102.

Basic financial instruments, such as bank and cash, loans, amounts due to/from group undertakings, trade receivables and payables are initially recognised at transaction price, unless they constitute a financing arrangement, when the transaction is measured at the present value of the future receipts/payments discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that that have been enacted or substantively enacted by the balance sheet date.

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss 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 profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 20 .

4. **OPERATING PROFIT/(LOSS)**

The operating profit (2015 - operating loss) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	**43,850**	44,219

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5. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
COST				
At 1 January 2016	**124,406**	**582,744**	**62,613**	**769,763**
Additions	**-**	**41,302**	**-**	**41,302**
At 31 December 2016	**124,406**	**624,046**	**62,613**	**811,065**
DEPRECIATION				
At 1 January 2016	**96,689**	**439,831**	**62,468**	**598,988**
Charge for year	**18,386**	**25,319**	**145**	**43,850**
At 31 December 2016	**115,075**	**465,150**	**62,613**	**642,838**
NET BOOK VALUE				
At 31 December 2016	**9,331**	**158,896**	**-**	**168,227**
At 31 December 2015	27,717	142,913	145	170,775

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	**322,399**	254,846
Amounts owed by group undertakings	**186,335**	116,168
Other debtors	**57,987**	91,031
	566,721	462,045

Included in other debtors is a deferred tax asset of £54,316 (2015: £70,621), primarily relating to trading losses available for future relief. These are unlikely to be fully relieved in less than one year.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	**69,921**	72,142
Amounts owed to group undertakings	**530,114**	441,894
Taxation and social security	**26,498**	32,934
Other creditors	**132,692**	194,155
	759,225	741,125

8. LEASING AGREEMENTS

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

	2016 £	2015 £
Within one year	**15,800**	10,600
Between one and five years	**20,734**	14,534
	36,534	25,134

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9. RELATED PARTY DISCLOSURES

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

10. POST BALANCE SHEET EVENTS

The SENER Group is in negotiation to sell the share capital of the company to the Centrax Group, a major customer of the company. At the date of approval of these accounts, management expects the sale to complete. In the opinion of the director, this is a strategic move which will see the company benefit in terms of access to greater markets in the non-aerospace turbine sector.

As a result of this, stock, work-in-progress, parts and tooling relating to the Rolls Royce M250 turbine engine have been disposed of after the year end. No significant loss has arisen from this.

11. ULTIMATE CONTROLLING PARTY

The ultimate parent is the SENER Group, incorporated in Spain.

12. GOING CONCERN

Having due regard to the likely potential outcomes of post year end plans, current trading patterns, and projections for 2018, the director considers the company is a going concern.

13. FIRST YEAR ADOPTION

The company has adopted FRS 102 Section 1A from 1 January 2016 for the year ended 31 December 2016. There are no re-statements under the new standard for earlier periods which were prepared under previous UK GAAP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.