Company Registration No. 04345821 (England and Wales)

THE TECHNICAL DEPARTMENT LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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THE TECHNICAL DEPARTMENT LIMITED

COMPANY INFORMATION

Director	J Singleton
Secretary	K Dunn
Company number	04345821
Registered office	Unit 17 The Pines Business Park Broad Street Guildford Surrey GU3 3BH
Accountants	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB

THE TECHNICAL DEPARTMENT LIMITED

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THE TECHNICAL DEPARTMENT LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	**3**		479,143		388,254
Current assets					
Stocks		3,295		2,832	
Debtors	**4**	108,810		109,701	
Cash at bank and in hand		11,070		32,350	
		123,175		144,883	
Creditors: amounts falling due within one year	**5**	(309,026)		(170,191)	
Net current liabilities			(185,851)		(25,308)
Total assets less current liabilities			293,292		362,946
Creditors: amounts falling due after more than one year	**6**		(213,423)		(222,321)
Net assets			79,869		140,625
Capital and reserves					
Called up share capital	**7**		60		100
Revaluation reserve			103,009		-
Capital redemption reserve			40		-
Profit and loss reserves	**8**		(23,240)		140,525
Total equity			79,869		140,625

The director of the company have elected not to include a copy of the income statement within the financial statements.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2016

The financial statements were approved and signed by the director and authorised for issue on 25 September 2017

J Singleton
Director
Company Registration No. 04345821

1 Accounting policies

Company information

The Technical Department Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 17 The Pines Business Park, Broad Street, Guildford, Surrey, GU3 3BH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2016 are the first financial statements of The Technical Department Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the year end, the company has net current liabilities of £185,851 (2015: £25,308). The company is dependent on the continued support of its creditors and the directors are confident of this support over the next 12 months. Therefore the directors consider it appropriate to prepare the financial statements on the going concern basis.

1.3 Turnover

Turnover is recognised to the extent that is is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Turnover is measured as the fair value of the consideration received or receivable for electrical contraction and event support services net of VAT and trade discounts.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation (in relation to land and buildings only), net of depreciation and any impairment losses.

Subsequent measurement at cost or valuation is a change in accounting policy in order to provide more reliable and relevant information in relation to the open market value of the land and buildings.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Leasehold	50 year straight line
Plant and machinery	25% straight line
Fixtures, fittings & equipment	25% straight line

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The asset's residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2015 - 6).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	404,628	24,920	429,548
Additions	-	765	765
Revaluation	103,009	-	103,009
At 31 December 2016	507,637	25,685	533,322
Depreciation and impairment			
At 1 January 2016	24,544	16,750	41,294
Depreciation charged in the year	8,093	4,792	12,885
At 31 December 2016	32,637	21,542	54,179
Carrying amount			
At 31 December 2016	475,000	4,143	479,143
At 31 December 2015	380,084	8,170	388,254

The carrying amount of the land and buildings has been arrived at on the basis of a valuation carried out at 31 December 2016 by the director of the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The carrying amount of the land and building as at 31 December 2015 is considered to be that of the open market value of the property as at this date and therefore no prior period adjustment is required.

4 Debtors

Amounts falling due within one year:	2016 £	2015 £
Trade debtors	17,508	27,255
Corporation tax recoverable	8,325	-
Other debtors	70,256	82,446
	96,089	109,701
Deferred tax asset	12,721	-
	108,810	109,701

Trade debtors disclosed above are measured at amortised cost.

Included in other debtors is a loan receivable balance of £12,597 (2015: £1,997) which, is unsecured, carries an official rate of interest of 3% per annum and is repayable on demand.

5 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	17,919	22,192
Trade creditors	42,273	58,817
Corporation tax	8,371	8,371
Other taxation and social security	10,475	32,529
Other creditors	229,988	48,282
	309,026	170,191

6 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loans and overdrafts	213,423	222,321

The bank loan (£9,096 due within one year) is secured by a first legal charge over the leasehold property known as 17 The Pines Trading Estate, Broad Street, Guildford, Surrey, GU3 3BH. This property is owned by the company.

7 Called up share capital

	2016	2015
	£	£
Ordinary share capital		
Issued and fully paid		
60 ordinary of £1 each	60	100
	60	100

During the year 40 Ordinary shares of £1 each brought back at a premium of £399 per share.

8 Profit and loss reserves

Retained earnings represents accumulated comprehensive income for the year and prior periods less dividends paid.

At the time dividends were paid the company had sufficient reserves available to make the distribution.

9 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charge	
	2016	2015
	£	£
Entities under common control	62,500	177,000

	Recharges		Consultancy services	
	2016	2015	2016	2015
	£	£	£	£
Entities under common control	35,237	173,683	-	-
Other related parties	-	-	5,603	31,175
	35,237	173,683	5,603	31,175

An entity under common control has provided a cross company guarantee of £250,000 to secure a loan for the company.

The following amounts were outstanding at the reporting end date:

	2016	2015
Amounts owed to related parties	£	£
Other related parties	60,512	-

9 Related party transactions **(Continued)**

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties	**2016 Balance £**
Entities under common control	42,920

Amounts owed in previous period	**2015 Balance £**
Entities under common control	70,183
Other related parties	100
	70,283

10 Directors' transactions

Dividends totalling £20,000 (2015 - £0) were paid in the year in respect of shares held by the company's director.

The Director has provided a personal guarantee of £75,000 to secure a loan for the company.

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