Company Registration No. 04377521 (England and Wales)

KYOCERA SGS PRECISION TOOLS EUROPE LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2017

PAGES FOR FILING WITH REGISTRAR

FRIDAY
A6FIELC9
A19 22/09/2017 #138
COMPANIES HOUSE



KYOCERA SGS PRECISION TOOLS EUROPE LTD

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	3 - 7

KYOCERA SGS PRECISION TOOLS EUROPE LTD

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets	5		1,452,849		2,294,883
Current assets					
Stocks		633,343		734,235	
Debtors	6	1,865,199		1,905,144	
Cash at bank and in hand		516,674		115,611	
		3,015,216		2,754,990	
Creditors: amounts falling due within one year	7	(1,626,556)		(5,013,298)	
Net current assets/(liabilities)			1,388,660		(2,258,308)
Total assets less current liabilities			2,841,509		36,575
Provisions for liabilities			(108,066)		(240,222)
Net assets/(liabilities)			2,733,443		(203,647)
Capital and reserves					
Called up share capital	9		90		90
Other reserves			3,927,791		-
Profit and loss reserves			(1,194,438)		(203,737)
Total equity			2,733,443		(203,647)

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 4/9/2017 and are signed on its behalf by:

.....

Mr H M Welch
Director

Company Registration No. 04377521

KYOCERA SGS PRECISION TOOLS EUROPE LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2017

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2016	90	-	(103,700)	(103,610)
Period ended 30 April 2016:				
Loss and total comprehensive income for the period	-	-	(100,037)	(100,037)
Balance at 30 April 2016	90	-	(203,737)	(203,647)
Period ended 31 March 2017:				
Loss and total comprehensive income for the period	-	-	(990,701)	(990,701)
Transfers	-	3,927,791	-	3,927,791
Balance at 31 March 2017	90	3,927,791	(1,194,438)	2,733,443

1 Accounting policies

Company information

Kyocera SGS Precision Tools Europe Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 10 Ashville Way, Wokingham, Berkshire, RG41 2PL.

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 amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The entity has taken advantage of the following disclosure exemptions:

The requirements of Section 6.1A to present a statement of change in equity or a statement of income and retained earnings.

The requirement of Section 33 Related Party Disclosures paragraph 33.7.

These financial statements have been prepared for the 11 month period from 1 May 2016 to 31 March 2017 whereas the comparative figures represent the 4 month period to 30 April 2016.

The period was shortened to 31 March 2017 in order to bring it in line with the parent company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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	40% reducing balance
Plant and machinery	40% reducing balance
Fixtures, fittings & equipment	40% reducing balance
Computer equipment	40% reducing balance
Motor vehicles	40% reducing balance

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.

1.4 Stocks

Stock and work in progress are valued a the lower of cost and net realisable value.

1 Accounting policies **(Continued)**

1.5 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 profit and loss account 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 profit and loss account, 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.

1.6 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.

1.7 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1 Accounting policies **(Continued)**

1.8 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 profit and loss account for the period.

1.9 Going concern

During the period to 31 March 2017, the company recorded a loss of £990,701, increasing its negative profit and loss reserve to £1,194,438. At the balance sheet date, total liabilities exceeded total assets by £1,194,348.

The company is a wholly owned subsidiary of Kyocera Corporation and that company will continue to support Kyocera SGS Precision Tools Europe Ltd for the foreseeable future.

Following the acquisition of the company on 2 May 2016, the company's bank loans and overdrafts were repaid by the parent company in full. This loan from the parent of £3,927,791 has been converted into capital contribution, resulting in net assets of £2,733,443 at the balance sheet date.

Therefore, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2 Auditor's remuneration

	2017	2016
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the company	23,500	-

3 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 49 (2016 - 46).

4 Taxation

	2017	2016
	£	£
Deferred tax		
Origination and reversal of timing differences	(133,549)	38,196

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2016	51,018	4,175,686	4,226,704
Additions	-	38,631	38,631
Disposals	-	(94,475)	(94,475)
At 31 March 2017	51,018	4,119,842	4,170,860
Depreciation and impairment			
At 1 May 2016	18,708	1,911,528	1,930,236
Depreciation charged in the Period	11,848	835,142	846,990
Eliminated in respect of disposals	-	(59,215)	(59,215)
At 31 March 2017	30,556	2,687,455	2,718,011
Carrying amount			
At 31 March 2017	20,462	1,432,387	1,452,849
At 30 April 2016	32,311	2,262,572	2,294,883

6 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	1,395,719	1,314,020
Amounts due from group undertakings	255,198	294,689
Other debtors	171,086	195,178
Prepayments and accrued income	43,196	101,257
	1,865,199	1,905,144

7 Creditors: amounts falling due within one year

	Notes	2017	2016
		£	£
Bank loans and overdrafts	8	-	3,908,414
Obligations under finance leases		-	36,562
Trade creditors		98,210	284,425
Amounts due to group undertakings		1,331,391	664,515
Other taxation and social security		55,004	52,691
Other creditors		43,646	26,997
Accruals and deferred income		98,305	39,694
		1,626,556	5,013,298

8 Loans and overdrafts

	2017	2016
	£	£
Bank loans	-	3,908,414
Payable within one year	-	3,908,414

9 Called up share capital

	2017	2016
	£	£
Ordinary share capital		
Authorised		
90 Ordinary shares of £1 each	90	90
Issued and fully paid		
90 Ordinary shares of £1 each	90	90

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Lorna Watson.
The auditor was Shaw Gibbs Limited.

11 Parent company

The company was under the control of Kyocera SGS Precision Tools, Inc. during the current period.