

REGISTERED NUMBER: 08375521 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
FOR
ENGINEERING CONTRACTOR SERVICES LIMITED**

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for the Year Ended 31 March 2017**

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ENGINEERING CONTRACTOR SERVICES LIMITED

COMPANY INFORMATION
for the Year Ended 31 March 2017

DIRECTOR: J Savage

REGISTERED OFFICE: Winnington House
2 Woodberry Grove
North Finchley
London
N12 0DR

REGISTERED NUMBER: 08375521 (England and Wales)

AUDITORS: Moss & Williamson Limited
Chartered Accountants
Statutory Auditor
Booth Street Chambers
Ashton-under-Lyne
Lancashire
OL6 7LQ

STRATEGIC REPORT
for the Year Ended 31 March 2017

The director presents his strategic report for the year ended 31 March 2017.

REVIEW OF BUSINESS

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

The director is disappointed to report a reduction in turnover compared with 2016, this reflects a downturn in market activity within our industry.

We remain pro-active in adapting processes in response to changes in legislation to ensure that efficiencies and standards are maintained. We pride ourselves on our customer service.

We consistently review our processes and procedures and monitor key performance indicators to manage and improve performance and expected standards throughout the company.

Key Performance Indicators		2017	2016
	£		
Turnover		11,657,528	18,498,701
Gross margin		3.55%	2.32%
Debtor days		12	6
Creditor days		5	4
Current ratio		1.11	1.04

FUTURE DEVELOPMENTS

Our goals for the forthcoming year are to maintain the standards set and also to concentrate on ensuring all our employees are trained to the highest standards to achieve excellence throughout the business.

We will ensure any legislation changes are complied with, endeavour to minimise the impact on our contractors where possible and will continue to provide a compliant and fully comprehensive service.

We will endeavour to not only maintain our position within the market but hopefully enhance it through extensive marketing.

PRINCIPAL RISKS AND UNCERTAINTIES

The principle risks and uncertainties facing the company are competition impacting on market share and ability to respond to customer requirements for efficient contractor management solutions.

The company continues to focus on these matters in its strategy for the future.

ON BEHALF OF THE BOARD:

J Savage - Director

21 December 2017

**REPORT OF THE DIRECTOR
for the Year Ended 31 March 2017**

The director presents his report with the financial statements of the company for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a contracts management company.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2017.

DIRECTOR

J Savage held office during the whole of the period from 1 April 2016 to the date of this report.

EMPLOYEES

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person

should, as far as possible, be identical to that of a person who does not suffer from a disability.

Employee involvement

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that views are taken into account when decisions are made that are likely to affect their interests. All employees are aware of the financial and economic performance of their business units and of the Company as a whole, and are rewarded according to the results of both through an annual bonus scheme.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Strategic Report, 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;
- 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.

**REPORT OF THE DIRECTOR
for the Year Ended 31 March 2017**

AUDITORS

The auditors, Moss & Williamson Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J Savage - Director

21 December 2017

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ENGINEERING CONTRACTOR SERVICES LIMITED

We have audited the financial statements of Engineering Contractor Services Limited for the year ended 31 March 2017 on pages seven to eighteen. 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 Director's Responsibilities Statement set out on page three, 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 Strategic Report and 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 March 2017 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.

Other Matter

The corresponding figures for the year ended 31 March 2016 were unaudited.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ENGINEERING CONTRACTOR SERVICES LIMITED**

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.

M G Foote FCA (Senior Statutory Auditor)
for and on behalf of Moss & Williamson Limited
Chartered Accountants
Statutory Auditor
Booth Street Chambers
Ashton-under-Lyne
Lancashire
OL6 7LQ

21 December 2017

STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
TURNOVER	3	11,657,528	18,498,701
Cost of sales		11,243,648	18,068,766
GROSS PROFIT		413,880	429,935
Administrative expenses		372,936	395,712
OPERATING PROFIT and PROFIT BEFORE TAXATION	5	40,944	34,223
Tax on profit	6	8,951	14,109
PROFIT FOR THE FINANCIAL YEAR		31,993	20,114
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		31,993	20,114

The notes form part of these financial statements

BALANCE SHEET
31 March 2017

	Notes	2017 £	2016 £
CURRENT ASSETS			
Debtors	7	579,232	515,490
Cash at bank		<u>74,041</u>	<u>338,250</u>
		653,273	853,740
CREDITORS			
Amounts falling due within one year	8	<u>587,548</u>	<u>820,008</u>
NET CURRENT ASSETS		65,725	33,732
TOTAL ASSETS LESS CURRENT LIABILITIES		65,725	33,732
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Retained earnings	11	<u>65,724</u>	<u>33,731</u>
SHAREHOLDERS' FUNDS		65,725	33,732

The financial statements were approved by the director on 21 December 2017 and were signed by:

J Savage - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2017

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2015	1	13,617	13,618
Changes in equity			
Total comprehensive income	-	20,114	20,114
Balance at 31 March 2016	1	33,731	33,732
Changes in equity			
Total comprehensive income	-	31,993	31,993
Balance at 31 March 2017	1	65,724	65,725

The notes form part of these financial statements

CASH FLOW STATEMENT
for the Year Ended 31 March 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	(250,100)	(299,098)
Tax paid		<u>(14,109)</u>	<u>-</u>
Net cash from operating activities		<u>(264,209)</u>	<u>(299,098)</u>
Decrease in cash and cash equivalents		<u>(264,209)</u>	<u>(299,098)</u>
Cash and cash equivalents at beginning of year	2	338,250	637,348
Cash and cash equivalents at end of year	2	<u>74,041</u>	<u>338,250</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2017

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2017	2016
	£	£
Profit before taxation	40,944	34,223
(Increase)/decrease in trade and other debtors	(63,742)	524,310
Decrease in trade and other creditors	(227,302)	(857,631)
Cash generated from operations	<u>(250,100)</u>	<u>(299,098)</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u>74,041</u>	<u>338,250</u>

Year ended 31 March 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	<u>338,250</u>	<u>637,348</u>

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2017**

1. STATUTORY INFORMATION

Engineering Contractor Services 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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.

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or the period of revision and future periods where the revision affects both current and future periods.

Turnover

Turnover represents the value of services provided where the right to consideration has been obtained.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2017

2. ACCOUNTING POLICIES - continued**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.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2017 £	2016 £
United Kingdom	11,425,528	18,130,553
Europe	232,000	368,148
	<u>11,657,528</u>	<u>18,498,701</u>

4. EMPLOYEES AND DIRECTORS

	2017 £	2016 £
Wages and salaries	2,980,209	5,081,802
Social security costs	206,799	266,295
	<u>3,187,008</u>	<u>5,348,097</u>

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

	2017	2016
Sales and administration	3	3
Service providers	283	429
	<u>286</u>	<u>432</u>

	2017 £	2016 £
Directors' remuneration	<u>2,400</u>	<u>2,500</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2017 £	2016 £
Other operating leases	12,327	12,761
Auditors' remuneration	8,250	-
Foreign exchange differences	<u>6,906</u>	<u>8,066</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2017

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2017 £	2016 £
Current tax:		
UK corporation tax	<u>8,951</u>	<u>14,109</u>
Tax on profit	<u>8,951</u>	<u>14,109</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	<u>40,944</u>	<u>34,223</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	8,189	6,845
Effects of:		
Expenses not deductible for tax purposes	<u>762</u>	<u>7,264</u>
Total tax charge	<u>8,951</u>	<u>14,109</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	362,083	275,409
Other debtors	188,278	204,669
Prepayments and accrued income	<u>28,871</u>	<u>35,412</u>
	<u>579,232</u>	<u>515,490</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	134,318	159,808
Tax	8,951	14,109
Social security and other taxes	28,675	20,567
VAT	102,603	134,662
Other creditors	53,750	60,014
Accruals and deferred income	<u>259,251</u>	<u>430,848</u>
	<u>587,548</u>	<u>820,008</u>

9. LEASING AGREEMENTS

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

	2017 £	2016 £
Within one year	<u>759</u>	<u>11,825</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2017

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
1	Ordinary	1	<u>1</u>	<u>1</u>

11. RESERVES

**Retained
earnings
£**

At 1 April 2016	33,731
Profit for the year	31,993
At 31 March 2017	<u>65,724</u>

12. ULTIMATE CONTROLLING PARTY

The controlling party is J Savage.

13. FIRST YEAR ADOPTION

This is the first year the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102). The last financial statements under previous UK GAAP were for the year ended 31 March 2016 and the date of transition was therefore 1 April 2015.

As a consequence of adopting FRS 102, no changes were required to the company's accounting policies to comply with the standard. No adjustments were identified to the previously reported profit or equity for the year ended 31 March 2016.

RECONCILIATION OF EQUITY
1 April 2015
(DATE OF TRANSITION TO FRS 102)

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
CURRENT ASSETS			
Debtors	995,840	-	995,840
Cash at bank	637,348	-	637,348
	<u>1,633,188</u>	<u>-</u>	<u>1,633,188</u>
CREDITORS			
Amounts falling due within one year	(1,619,570)	-	(1,619,570)
NET CURRENT ASSETS	<u>13,618</u>	<u>-</u>	<u>13,618</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>13,618</u>	<u>-</u>	<u>13,618</u>
NET ASSETS	<u>13,618</u>	<u>-</u>	<u>13,618</u>
CAPITAL AND RESERVES			
Called up share capital	1	-	1
Retained earnings	13,617	-	13,617
SHAREHOLDERS' FUNDS	<u>13,618</u>	<u>-</u>	<u>13,618</u>

RECONCILIATION OF EQUITY - continued
31 March 2016

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
CURRENT ASSETS			
Debtors	515,490	-	515,490
Cash at bank	338,250	-	338,250
	<u>853,740</u>	<u>-</u>	<u>853,740</u>
CREDITORS			
Amounts falling due within one year	(820,008)	-	(820,008)
NET CURRENT ASSETS	<u>33,732</u>	<u>-</u>	<u>33,732</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>33,732</u>	<u>-</u>	<u>33,732</u>
NET ASSETS	<u>33,732</u>	<u>-</u>	<u>33,732</u>
CAPITAL AND RESERVES			
Called up share capital	1	-	1
Retained earnings	33,731	-	33,731
SHAREHOLDERS' FUNDS	<u>33,732</u>	<u>-</u>	<u>33,732</u>

RECONCILIATION OF PROFIT
for the Year Ended 31 March 2016

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	18,498,701	-	18,498,701
Cost of sales	(18,068,766)	-	(18,068,766)
GROSS PROFIT	429,935	-	429,935
Administrative expenses	(395,712)	-	(395,712)
OPERATING PROFIT	34,223	-	34,223
and			
PROFIT BEFORE TAXATION	34,223	-	34,223
Tax on profit	(14,109)	-	(14,109)
PROFIT FOR THE FINANCIAL YEAR	20,114	-	20,114

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.