

REGISTERED NUMBER: 08375521 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018
FOR
ENGINEERING CONTRACTOR SERVICES LIMITED**

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for the Year Ended 31 March 2018**

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ENGINEERING CONTRACTOR SERVICES LIMITED

COMPANY INFORMATION
for the Year Ended 31 March 2018

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 2018**

The director presents his strategic report for the year ended 31 March 2018.

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 2017, 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		2018	2017
	£		
Turnover		9,936,106	11,657,528
Gross margin		1.34%	3.55%
Debtor days		4	12
Creditor days		3	5
Current ratio		1.13	1.11

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

14 December 2018

**REPORT OF THE DIRECTOR
for the Year Ended 31 March 2018**

The director presents his report with the financial statements of the company for the year ended 31 March 2018.

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 2018.

DIRECTOR

J Savage held office during the whole of the period from 1 April 2017 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 2018**

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

14 December 2018

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

Opinion

We have audited the financial statements of Engineering Contractor Services Limited (the 'company') for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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.

Responsibilities of director

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, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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.

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

14 December 2018

STATEMENT OF COMPREHENSIVE INCOME
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
TURNOVER	3	9,936,106	11,657,528
Cost of sales		<u>9,802,802</u>	<u>11,243,648</u>
GROSS PROFIT		133,304	413,880
Administrative expenses		<u>118,631</u>	<u>372,936</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		14,673	40,944
Tax on profit	6	<u>390</u>	<u>8,951</u>
PROFIT FOR THE FINANCIAL YEAR		14,283	31,993
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>14,283</u>	<u>31,993</u>

The notes form part of these financial statements

BALANCE SHEET
31 March 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	7		13,758		-
CURRENT ASSETS					
Debtors	8	357,077		579,232	
Cash at bank		<u>306,153</u>		<u>74,041</u>	
		663,230		653,273	
CREDITORS					
Amounts falling due within one year	9	<u>596,980</u>		<u>587,548</u>	
NET CURRENT ASSETS			<u>66,250</u>		<u>65,725</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>80,008</u>		<u>65,725</u>
CAPITAL AND RESERVES					
Called up share capital	11		1		1
Retained earnings	12		<u>80,007</u>		<u>65,724</u>
SHAREHOLDERS' FUNDS			<u>80,008</u>		<u>65,725</u>

The financial statements were approved by the director on 14 December 2018 and were signed by:

J Savage - Director

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 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
Changes in equity			
Total comprehensive income	-	14,283	14,283
Balance at 31 March 2018	1	80,007	80,008

The notes form part of these financial statements

CASH FLOW STATEMENT
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	254,922	(250,100)
Tax paid		<u>(8,951)</u>	<u>(14,109)</u>
Net cash from operating activities		<u>245,971</u>	<u>(264,209)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(13,859)</u>	<u>-</u>
Net cash from investing activities		<u>(13,859)</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents		<u>232,112</u>	<u>(264,209)</u>
Cash and cash equivalents at beginning of year	2	74,041	338,250
Cash and cash equivalents at end of year	2	<u>306,153</u>	<u>74,041</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2018

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

	2018	2017
	£	£
Profit before taxation	14,673	40,944
Depreciation charges	101	-
	<u>14,774</u>	<u>40,944</u>
Decrease/(increase) in trade and other debtors	222,155	(63,742)
Increase/(decrease) in trade and other creditors	17,993	(227,302)
Cash generated from operations	<u>254,922</u>	<u>(250,100)</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 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	<u>306,153</u>	<u>74,041</u>

Year ended 31 March 2017

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

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2018**

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Computer equipment - 50% on cost

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

2. ACCOUNTING POLICIES - continued**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. 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:

	2018 £	2017 £
United Kingdom	9,928,018	11,425,528
Europe	8,088	232,000
	<u>9,936,106</u>	<u>11,657,528</u>

4. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	2,445,691	2,980,209
Social security costs	165,594	206,799
Other pension costs	4,822	-
	<u>2,616,107</u>	<u>3,187,008</u>

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

	2018	2017
Sales and administration	1	3
Service providers	<u>407</u>	<u>283</u>
	<u>408</u>	<u>286</u>

	2018 £	2017 £
Director's remuneration	<u>2,400</u>	<u>2,400</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Other operating leases	759	12,327
Depreciation - owned assets	101	-
Auditors' remuneration	6,563	8,250
Foreign exchange differences	<u>(7,222)</u>	<u>6,906</u>

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

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

	2018	2017
	£	£
Current tax:		
UK corporation tax	390	8,951
Tax on profit	<u>390</u>	<u>8,951</u>

Reconciliation of total tax charge included in profit and loss

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

	2018	2017
	£	£
Profit before tax	<u>14,673</u>	<u>40,944</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	2,788	8,189
Effects of:		
Expenses not deductible for tax purposes	216	762
Capital allowances in excess of depreciation	<u>(2,614)</u>	<u>-</u>
Total tax charge	<u>390</u>	<u>8,951</u>

7. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
Additions	<u>13,859</u>
At 31 March 2018	<u>13,859</u>
DEPRECIATION	
Charge for year	<u>101</u>
At 31 March 2018	<u>101</u>
NET BOOK VALUE	
At 31 March 2018	<u>13,758</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2018

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	90,684	362,083
Prepayments and accrued income	266,393	217,149
	<u>357,077</u>	<u>579,232</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	67,361	134,318
Tax	390	8,951
Social security and other taxes	34,277	28,675
VAT	103,150	102,603
Other creditors	45,370	53,750
Accruals and deferred income	346,432	259,251
	<u>596,980</u>	<u>587,548</u>

10. LEASING AGREEMENTS

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

	2018	2017
	£	£
Within one year	<u>828</u>	<u>759</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
1	Ordinary	1	<u>1</u>	<u>1</u>

12. RESERVES

	Retained earnings £
At 1 April 2017	65,724
Profit for the year	14,283
At 31 March 2018	<u>80,007</u>

13. ULTIMATE CONTROLLING PARTY

The controlling party is J Savage.

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.