

Score Marine Limited
Annual report and financial statements
for the 52 weeks ended 29 September 2016

Registered Number SC229821



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Score Marine Limited

Company details, directors and advisors

Directors

Ian Davidson

Geoffrey Pearson

Mathew Whyte

David Buchan (appointed 2 October 2015)

Secretary

Mathew Whyte

Auditor

KPMG LLP

37 Albyn Place

Aberdeen

AB10 1JB

Solicitors

Sonya O'Brien - LLB(Hons), LLM(Employment Law), Dip LP, NP

Ian M Cheyne Building

GLEN Test Facility

Wellbank

Peterhead

AB42 3GL

Insurers

Aon Limited

13 Bon Accord Square

Aberdeen

AB11 6DJ

Bankers

HSBC Bank plc

95-99 Union Street

Aberdeen

AB11 6BD

Registered Office

Glenugie Engineering Works

Peterhead

AB42 0YX

Registered Number

SC229821

Score Marine Limited

Strategic report

Principal activities

Score Marine provides Valve Maintenance Management services to the Defence and Maritime Industries.

Business model

Score Marine has a specific expertise and core competence in valve engineering. The Company is part of the Score Group which is the market leading provider of valve management services on a global scale.

The Company's business model is one whereby it seeks to collectively apply the unique attributes of its service provision to the benefit of its customer base. The Score Marine model manages whole valve populations as opposed to reacting to problems and applying maintenance on breakdown. Score Marine adds value to its customers by these means and applies this knowledge in both the existing operations and emerging project environments.

Business review and results

The Company turnover for the 52 weeks ended 29 September 2016 was £5,961,000, with a profit before tax of £517,000. The Company's services were principally delivered to the UK Defence sector in the form of the Ministry of Defence (MoD) and the Prime Contractors who provide front line services to MoD in the form of BAE Systems and Babcock Marine.

The business is dominated by three main sectors, namely inventory management support to the UK Naval Surface Fleet, the managed supply of valves to new build projects and Warship refit maintenance, supply and repair work that has become a permanent feature of the Company footprint. Business with 'friendly' foreign navies continues as the Company track record develops. The Company is not turnover driven and acknowledges that its future success is dependent upon continuing to be agile and innovative in support of ever changing customer requirements.

Key performance indicators

Score Marine makes extensive use of Key Performance Indicators (KPIs) both externally with its Contract customer base and internally as it sets goals and objectives for the organisation which are managed and monitored during the year.

The KPIs selected cover the full spectrum of the Company's performance and target areas include HSE, service delivery, quality, customer satisfaction and personnel development. The KPIs are set for continuous improvement purposes at the Company's annual management review meeting and target areas which are important to Score Marine's business, its customers and the wider community.

HSE – The Principal indicator set was that the number of OHSA recordable incidents should be zero. This KPI was met. Supporting that were targets relating to START Cards (Stop, Think, Assess the Risk and Take Action) toolbox talks. In addition the Company set targets to reduce electricity usage and waste to landfill.

Service Delivery – Score Marine has one principle KPI in its Contract with the Ministry of Defence, that being "percentage availability upon demand". Due to the nature of the Contract actual performance is considered confidential but targets were met.

Quality – Three quality related KPIs were originally set. These were associated to the closure response times associated with any customer complaints and internal non-conformances, the scheduled completion of all internal audits and the percentage of first time builds that pass test. All three of these KPIs were met.

Customer Satisfaction – The target set required receipt of a number of formal external compliments from all work carried out.

Sales Targets – Specific targets were set with regard to the attraction of new business and whilst these were not met in their entirety prior to the close of the financial year it is evident that they are 90% complete and that these new business streams will be a feature of financial year 2016-17.

The Directors and Officers of the Company are content with both the relevance of the KPIs which were set for the reporting period and performance against these KPIs.

Score Marine Limited

Strategic report (Cont)

Principal risks and uncertainties

Score Marine in the main part contracts with Government bodies or with Prime Contractors operating on behalf of Government organisations. This has benefits as well as risks in so much as any risks associated with non-payment are relatively low but the uncertainty associated with budget constraints is ever present at some degree. The Company works hard to position itself to deal with such pressures as they arise.

The other principal risk to Score Marine relates to losing or indeed failure to secure the mainframe contracts the Company presently operates and others that it is tendering. These however are general business risks and the Directors of Score Marine acknowledge their responsibilities in managing these and indeed in positioning the Company to deal with changes in Government policies and strategies.

Future developments

The next 12 months will see the Company look to consolidate its position as the Valve Management Contractor of choice in the Defence Industry. In doing so Score Marine will continue to listen to its customer base and will continue with proactive, innovative initiatives to adapt to and better service its changing environment from both an operational and project support context. Live opportunities and threats present themselves in both the new build projects and maintenance and operations sectors and Score Marine is currently positioning itself to meet these challenges. This will require the Company to be innovative and flexible and the Directors are confident that Score Marine has prepared properly to deliver against these future conditions.

Signed on behalf of the Board



Ian Davidson

7 March 2017

Score Marine Limited

Directors' report

The directors present their directors' report and the financial statements of the company for the 52 weeks ended 29 September 2016.

Dividends

During the year the company paid an interim dividend of £nil (2015: £700,000). The directors do not recommend the payment of a final dividend (2015: £nil).

Directors

The directors of the company at 29 September 2016 and up to the date of this report are listed on page 1.

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the Financial statements

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Political contributions

The Company made no political donations nor incurred any political expenditure during the year.

Score Marine Limited

Directors' report (Cont)

Statement of disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director 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 auditor is aware of that information.

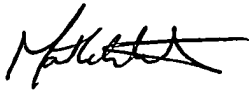
Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 2-3.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



Mathew Whyte
Secretary
Glenugie Engineering Works
Peterhead
AB42 0YX
7 March 2017



Independent auditor's report to the members of Score Marine Limited

We have audited the financial statements of Score Marine Limited for the 52 weeks ended 29 September 2016 set out on pages 7 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 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 an auditor's report 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 29 September 2016 and of its profit for the 52 weeks then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Derbyshire (Senior Statutory Auditor)

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

37 Albyn Place

Aberdeen

AB10 1JB

08 March 2017

Score Marine Limited

Statement of profit and loss and retained earnings for the 52 weeks ended 29 September 2016

	Note	2016 £	2015 £
Turnover	2	5,960,941	6,311,027
Cost of sales		<u>(4,743,428)</u>	<u>(5,041,787)</u>
Gross profit		1,217,513	1,269,240
Net operating expenses	3	<u>(783,114)</u>	<u>(828,208)</u>
Operating profit		434,399	441,032
Interest receivable and similar income	7	83,632	105,891
Interest payable and similar charges	8	<u>(1,484)</u>	<u>(1,910)</u>
Profit on ordinary activities before taxation	4 – 6	516,547	545,013
Taxation on profit on ordinary activities	9	<u>(103,236)</u>	<u>(111,736)</u>
Profit for the financial period	16	413,311	433,277
Retained profit at the beginning of year		227,858	494,581
Dividends paid		<u>-</u>	<u>(700,000)</u>
Retained profit at the end of the year	16	<u>641,169</u>	<u>227,858</u>

The above results all relate to continuing operations.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial period stated above and their historical cost equivalents.

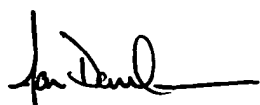
The company has no other comprehensive income and therefore no separate statement of other comprehensive income has been presented.

Score Marine Limited

Balance sheet as at 29 September 2016 (SC229821)

	Note	2016 £	2016 £	2015 £	2015 £
Current assets					
Stock	10	135,294		451,638	
Debtors	11	4,141,650		3,738,347	
Cash		100		12,082	
		<u>4,277,044</u>		<u>4,202,067</u>	
Creditors: amounts falling due within one year	12	<u>(2,762,830)</u>		<u>(3,114,503)</u>	
Net current assets			<u>1,514,214</u>		<u>1,087,564</u>
Total assets less current liabilities			<u>1,514,214</u>		<u>1,087,564</u>
Provisions for liabilities	13		<u>(872,945)</u>		<u>(859,606)</u>
Net assets			<u>641,269</u>		<u>227,958</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and loss account	16		<u>641,169</u>		<u>227,858</u>
Shareholder's funds			<u>641,269</u>		<u>227,958</u>

The financial statements were approved by the board of directors on 7 March 2017 and were signed on its behalf by:



Ian Davidson
Director

Score Marine Limited

Notes to the financial statements

1 Principal accounting policies

Score Marine Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

Basic of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments

FRS102 reduced disclosure framework

The company’s parent undertaking, Score Group plc includes the company in its consolidated financial statements. These consolidated financial statements are prepared in accordance with FRS 102 and are available to the public and may be obtained from Glenugie Engineering Works, Peterhead, Aberdeenshire, AB42 0YX. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:-

- Cash flow statement and related notes;
- Key management personnel compensation;
- The reconciliation of the number of shares outstanding from the beginning to the end of the period; and
- The disclosures required by FRS102.11 Basic Financial Instruments and FRS102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36 (4) of schedule 1.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

The financial statements are prepared on the historical cost basis.

Critical accounting judgement and key sources of estimation uncertainty

The directors consider the key areas where judgements or estimates have a significant effect on the amounts recognised in the financial statements to be stock provision and warranty provision calculation. Detailed accounting policies are provided in this note.

Going concern

The company’s business activities, together with the factors likely to affect its future developments and position are set out in the Strategic Report on pages 2 and 3. The company is expected to continue to generate positive cash flows on its own account for the foreseeable future. However, as set out in note 17, the company is party to a cross guarantee arrangement. In March 2017, the company’s ultimate parent undertaking, Score Group plc, secured new bank facilities with HSBC Bank Plc for a minimum period of 3 years. The directors, having assessed the responses to the enquiries of the directors of Score Group plc, believe that it remains appropriate to prepare the financial statements on a going concern basis. Further details on the new facilities are provided in the consolidated financial statements of Score Group plc..

Score Marine Limited

1 Principal accounting policies (Cont)

Stock and work in progress

Stock and work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first out principle and includes all direct expenditure and production overheads based on the normal level of activity. Provision is made where necessary for obsolete, slow moving and defective stocks.

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen. Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover. Payments received on account are included in creditors and represent payments on account in excess of turnover recognised.

Turnover recognition

Turnover is recognised when it is probable that the economic benefits associated with a transaction will flow to the company and the amount of turnover can be measured reliably. Turnover from product sales is recognised when the company has transferred to the customer the significant risks and rewards of ownership, which is normally upon delivery of the goods. Turnover from services is recognised as the service is provided (see long term contracts accounting policy). Turnover is stated net of sales taxes and trade discounts.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Score Marine Limited

1 Principal accounting policies (Cont)

Taxation (cont)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted. Deferred tax is measured on a non-discounted basis.

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.

Warranty provision

Provision is made, based on an assessment of historical claims made, in respect of the estimated cost of settling claims that may arise on goods sold and services provided, that are still in the warranty period.

Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Dividends on shares presented within shareholders' funds

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Score Marine Limited

1 Principal accounting policies (Cont)

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction or, where forward foreign currency contracts have been taken out, at contractual rates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences are taken to the profit and loss account in the year in which they arise.

2 Turnover

All sales originate in the United Kingdom. The geographical analysis by destination is as follows:-

	2016	2015
	£	£
UK	5,959,123	6,299,702
Rest of Europe	1,818	2,328
Rest of the world	-	8,997
	<u>5,960,941</u>	<u>6,311,027</u>

The analysis of turnover by activity is as follows:

	2016	2015
	£	£
Repairs	1,466,596	905,322
Valve sales	3,405,838	4,363,273
Labour	141,057	-
Management fees	947,450	1,042,432
	<u>5,960,941</u>	<u>6,311,027</u>

The valve sales relate to the sale of products with the remaining activities comprising the sale of services.

Score Marine Limited

3 Net operating expenses

Net operating expenses are analysed as follows:	2016	2015
	£	£
Distribution costs	33,357	60,034
Administrative expenses	749,757	768,174
Net operating expenses	783,114	828,208

4 Notes to the profit and loss account

	2016	2015
	£	£
Profit on ordinary activities before taxation is stated after charging (crediting):		
Operating lease rentals for land and buildings	150,000	150,000
Loss (gain) on foreign exchange	6,564	(1,938)
Auditor's remuneration:		
Audit of these financial statements	5,600	5,475

Amounts receivable by the auditor in respect of services to the company, other than the audit of the financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's ultimate parent, Score Group plc.

5 Directors' emoluments

None of the directors receive any emoluments from the company. Four (2015: three) directors are remunerated by other group companies and an amount of £61,996 (2015: £42,531) has been recharged in respect of their services to the company.

6 Staff numbers and costs

The company had no employees in either period. The aggregate payroll costs of £694,488 (2015: £717,270) for 59 (2015: 58) staff were recharged by a fellow subsidiary undertaking.

7 Interest receivable and similar income

	2016	2015
	£	£
On amounts due from group undertakings	83,632	105,891

Score Marine Limited

8 Interest payable and similar charges

	2016	2015
	£	£
On amounts due to group undertaking	1,484	1,910

9 Taxation

	2016	2015
	£	£

UK Corporation tax

Current tax on income for the period	68,966	64,058
Adjustments in respect of prior periods	(64,058)	295
	4,908	64,353

Group relief

Current tax on income for the period	34,266	47,678
Adjustments in respect of prior periods	64,062	(295)
	98,328	47,383
Total current tax charge being tax on profit on ordinary activities	103,236	111,736

Reconciliation of effective tax rate

2016	2015
£	£

Total tax reconciliation

Profit for the year	413,311	433,277
Total tax expense	103,236	111,736
Profit excluding taxation	516,547	545,013
Tax using the UK Corporation tax rate of 20% (2015 : 20.5%)	103,309	111,728
Expenses not deductible for tax purposes	12	125
Deferred tax not recognised	(152)	(112)
Other	63	(5)
Adjustments in respect of prior periods	4	-
Total tax charge included in profit or loss	103,236	111,736

Factors affecting future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October by 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Score Marine Limited

10 Stock

The amounts attributable to different categories are as follows:	2016 £	2015 £
Work in progress	69,700	80,717
Finished stocks and goods for resale	65,594	370,921
	<u>135,294</u>	<u>451,638</u>

Finished goods and work in progress recognised as cost of sales in the year amounted to £320,936 (2015:£457,748). The write-down of stocks to net realisable value amounted to £4,592 decrease in provision (2015: £18,844 increase in provision) and is included in cost of sales.

11 Debtors

Amounts falling due within one year:	2016 £	2015 £
Trade debtors	931,681	961,304
Amounts owed by group undertakings	3,209,969	2,626,471
Prepayments and accrued revenue	-	150,572
	<u>4,141,650</u>	<u>3,738,347</u>

12 Creditors

	2016 £	2015 £
Amounts falling due within one year:		
Bank overdraft	13,630	-
Trade creditors	447,710	498,690
Amounts owed to group undertakings	667,675	719,115
Corporation tax	68,966	64,058
Group relief payable	34,266	47,678
Other taxation and social security costs	194,504	160,813
Accruals and deferred income	446,242	559,250
Payments received on account	889,837	1,064,899
	<u>2,762,830</u>	<u>3,114,503</u>

In 2016 and 2015, interest was charged on non-trading intercompany balances at base rate plus 2.5%.

Score Marine Limited

13 Provisions for liabilities

	Warranty provision £
1 October 2015	859,606
Amount provided in the year	13,339
29 September 2016	872,945

The warranty provision is in respect of sales potentially subject to claims and it is expected that the non-project element of these costs will be incurred in the next financial period.

14 Deferred taxation

A deferred tax asset of £347, consisting entirely of decelerated capital allowances, calculated at 17%, (2015: £499) has not been recognised as there is insufficient evidence that the asset would be recoverable in the foreseeable future.

15 Called up share capital

	2016 £	2015 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

16 Reserves

	Profit and loss account £
1 October 2015	227,858
Profit for the financial period	413,311
29 September 2016	641,169

Dividends comprise an interim dividend paid in respect of the current year of £nil (2015: £700,000). The aggregate amount of dividends proposed, but not included in these accounts at the period end is £nil (2015: £nil).

Score Marine Limited

17 Contingent liabilities and financial commitments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee. The company has an agreement to guarantee the bank borrowings of its ultimate parent company, Score Group plc. At 29 September 2016 the net position on the group borrowings was £ 12,736,330 (2015: £13,158,616). The assets of the company are secured by a bond and floating charge.

Operating lease commitments

The future minimum lease payment under non-cancellable operating leases are payable as follows:

	Land & Buildings 2016 £	Land & Buildings 2015 £
Due within 1 year	150,000	150,000
Due within 1-2 years	150,000	150,000
Due within 2-5 years	450,000	450,000
Due within 5 years	600,000	750,000
	1,350,000	1,500,000

18 Related party disclosures

As the Company is a wholly owned subsidiary of Score Group plc, the Company has taken advantage of the exemption contained in FRS 102, paragraph 33.1A and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

19 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Score Group plc which is the ultimate parent company incorporated in Scotland. The only group in which the results of the Company are consolidated is that headed by Score Group plc. The consolidated financial statements of the group are available to the public and may be obtained from the company secretary at Glenugie Engineering Works, Peterhead, AB42 0YX. The directors regard Mr C B Ritchie as the ultimate controlling party by virtue of his controlling interest in the equity capital of Score Group plc.

20 Explanation of transitions of FRS 102 from old UK GAAP

This is the first year that the company has presented its financial statements under FRS 102 issued by the Financial Reporting Council. The last financial statements under previous UK financial reporting framework were for the period ended 1 October 2015 and the date of transition to FRS 102 was therefore 3 October 2014. There have been no changes to accounting policies or transition adjustments as a consequence of adopting FRS 102. As such, no reconciliation of profit and equity is presented.

Score Marine Limited

21 Subsequent events

As set out in note 1, subsequent to the year end, the Company's ultimate parent undertaking has agreed new banking facilities.