TITAN TORQUE SERVICES LIMITED
SC345968

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

PAGES FOR FILING WITH REGISTRAR

MESTON REID & CO.
CHARTERED ACCOUNTANTS
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TITAN TORQUE SERVICES LIMITED

COMPANY INFORMATION

Directors	K Gaskin G Clark B Jepp L Jepp E Clark D Chapman
Secretary	Pinsent Masons Secretarial Limited
Company number	SC345968
Registered office	13 Queen's Road Aberdeen Scotland AB15 4YL
Accountants	Meston Reid & Co 12 Carden Place Aberdeen AB10 1UR

TITAN TORQUE SERVICES LIMITED

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TITAN TORQUE SERVICES LIMITED

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	**4**		232,693		301,427
Tangible assets	**5**		273,404		316,485
			506,097		617,912
Current assets					
Stocks		3,500		1,000	
Debtors	**6**	406,037		380,991	
Cash at bank and in hand		637,043		715,606	
		1,046,580		1,097,597	
Creditors: amounts falling due within one year	**7**	(177,608)		(514,163)	
Net current assets			868,972		583,434
Total assets less current liabilities			1,375,069		1,201,346
Creditors: amounts falling due after more than one year	**8**		(47,917)		(72,917)
Provisions for liabilities			(35,575)		(42,911)
Net assets			1,291,577		1,085,518
Capital and reserves					
Called up share capital	**11**		500		500
Profit and loss reserves			1,291,077		1,085,018
Total equity			1,291,577		1,085,518

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

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the board of directors and authorised for issue on 1 November 2017 and are signed on its behalf by:

K Gaskin
Director

Company Registration No. SC345968

TITAN TORQUE SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2017

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 April 2015	500	964,859	965,359
Year ended 31 March 2016:			
Profit and total comprehensive income for the year	-	120,159	120,159
Balance at 31 March 2016	500	1,085,018	1,085,518
Year ended 31 March 2017:			
Profit and total comprehensive income for the year	-	206,059	206,059
Balance at 31 March 2017	500	1,291,077	1,291,577

1 Accounting policies

Company information

Titan Torque Services Limited is a private company limited by shares incorporated in Scotland. The registered office is 13 Queen's Road, Aberdeen, Scotland, AB15 4YL.

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.

These financial statements for the year ended 31 March 2017 are the first financial statements of Titan Torque Services Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents net invoiced sales of goods, excluding value added tax, except in respect of service contracts where turnover is recognised when the company obtains the right to consideration.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation 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:

Patents	20% straight line
Development Costs	20% straight line

1.6 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.

1 Accounting policies **(Continued)**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following rates to write off the cost less estimated residual value of each asset over its expected useful life or, if held under a finance lease, over the lease term, which ever is the shorter:

Leasehold improvements	25% reducing balance
Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance
Computer equipment	33% straight line
Motor vehicles	25% 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.

Torque machines are depreciated on a 6.66% straight line basis.

1.7 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Work in progress

Work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.9 Cash and cash equivalents

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

1 Accounting policies **(Continued)**

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

1.11 Equity instruments

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

1.12 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1 Accounting policies **(Continued)**

1.13 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.

1.14 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.15 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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.

1.16 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 17 (2016 - 19).

3 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	53,350	58,000
Adjustments in respect of prior periods	(31,299)	19,095
Total current tax	22,051	77,095
Deferred tax		
Origination and reversal of timing differences	(7,336)	(15,907)
Total tax charge	14,715	61,188

4 Intangible fixed assets

	Patent	Development Costs	Total
	£	£	£
Cost			
At 1 April 2016	5,940	336,911	342,851
Disposals	-	(53,878)	(53,878)
At 31 March 2017	5,940	283,033	288,973
Amortisation and impairment			
At 1 April 2016	3,585	37,839	41,424
Amortisation charged for the year	1,188	13,668	14,856
At 31 March 2017	4,773	51,507	56,280
Carrying amount			
At 31 March 2017	1,167	231,526	232,693
At 31 March 2016	2,355	299,072	301,427

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2016	11,875	658,640	670,515
Additions	-	9,584	9,584
Disposals	-	(10,332)	(10,332)
At 31 March 2017	11,875	657,892	669,767
Depreciation and impairment			
At 1 April 2016	6,865	347,165	354,030
Depreciation charged in the year	1,252	51,249	52,501
Eliminated in respect of disposals	-	(10,168)	(10,168)
At 31 March 2017	8,117	388,246	396,363
Carrying amount			
At 31 March 2017	3,758	269,646	273,404
At 31 March 2016	5,010	311,475	316,485

6 Debtors

Amounts falling due within one year:	2017 £	2016 £
Trade debtors	311,521	333,403
Corporation tax recoverable	7,549	1,528
Other debtors	86,967	46,060
	406,037	380,991

7 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	25,000	27,083
Trade creditors	85,966	344,048
Corporation tax	9,700	78,949
Other taxation and social security	19,013	37,591
Other creditors	37,929	26,492
	177,608	514,163

The bank loan has been granted through the Enterprise Finance Guarantee State Aid with the value of de minimis State Aid arising from the loan amounting to £75,131.

8 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans and overdrafts	47,917	72,917

9 Provisions for liabilities

	2017 £	2016 £
Deferred tax liabilities	35,575	42,911
	35,575	42,911

10 Pension costs

Defined contribution schemes	2017 £	2016 £
Charge to profit or loss in respect of defined contribution schemes	37,403	39,925

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

11 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
500 Ordinary of £1 each	500	500

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017 £	2016 £
	131,000	131,000

13 Related party transactions

Included within other debtors for the year is £24 (2016 - £nil) due from director K Gaskin and £126 (2016 - £126) due from director B Jepp. These loans are unsecured, interest free and repayable on demand.
Included within other creditors is £17 (2016 - £17) due to director G Clark.

Titan Tools Services Limited
During the year, the company provided goods and services totalling £236,580 (2016 - £291,534) gross to Titan Tools Services Limited, a company in which the directors K Gaskin, G Clark and B Jepp are also directors.

During the year to 31 March 2017, Titan Tools Services Limited provided goods amounting to £60,423 (2016 - £170,012) gross to the company.

At the year end £49,616 (2016 - £35,232) is due from Titan Tools Services Limited.

CFF Technologies Limited
During the year the company paid expenses on behalf of CFF Technologies Limited, a company in which the director K Gaskin is also a director, totalling £909 (2016 - £22,792). During the year £1,031 (2016 - £28,273) was written off. At the year end £15,909 (2016 - £1,031) of which £15,000 consists of loan, is due from CFF Technologies Limited.

Able Global Consultants Limited
During the year, Able Global Consultants Limited, a company in which director B Jepp is also a director, provided services amounting to £144,000 (2016 - £168,000) to the company. At the year end £nil (2016 - £100,000) is outstanding.

KSG Global Consulting Limited
During the year, KSG Consulting Limited, a company in which director K Gaskin is also a director, provided services amounting to £144,000 (2016 - £168,000) to the company. At the year end £nil (2016 - £100,000) is outstanding.

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.