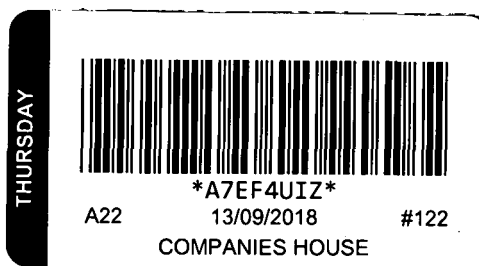


OLTEC GROUP TRADING LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018



OLTEC GROUP TRADING LTD

COMPANY INFORMATION

Director	O Cavaliere
Company number	00516548
Registered office	18 Beecham Court Smithy Brook Road Wigan Lancashire WN3 6PR
Auditor	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Business address	18 Beecham Court Smithy Brook Road Wigan Lancashire WN3 6PR
Bankers	National Westminster Bank plc PO Box 68 4 Standishgate Wigan Lancashire WN2 2EL

OLTEC GROUP TRADING LTD

CONTENTS

	Page
Director's report	1 - 2
Independent auditor's report	3 - 5
Statement of income and retained earnings	6
Balance sheet	7
Notes to the financial statements	8 - 18
Detailed trading and profit and loss account	

OLTEC GROUP TRADING LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The director presents his annual report and financial statements for the year ended 31 March 2018.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

O Cavaliere

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report 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 them 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 of disclosure to auditor

So far as the director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the director has taken all the necessary steps that he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

OLTEC GROUP TRADING LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

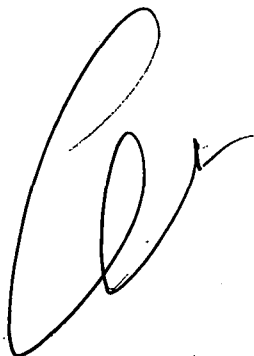
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

O Cavaliere

Director

4 September 2018

A handwritten signature in black ink, consisting of a large, stylized 'O' followed by a cursive 'C' and a final flourish.

OLTEC GROUP TRADING LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OLTEC GROUP TRADING LTD

Opinion

We have audited the financial statements of Oltec Group Trading Ltd (the 'company') for the year ended 31 March 2018 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and 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 FRS 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 Auditor's 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 included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

OLTEC GROUP TRADING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OLTEC GROUP TRADING LTD

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 Director's Report.

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; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Director's Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of director

As explained more fully in the Director's Responsibilities Statement included within the Director's Report, 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 directors determine is 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 intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

OLTEC GROUP TRADING LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OLTEC GROUP TRADING LTD

Auditor's 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 an auditor's report 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.



Christopher Moss BSc A.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP

11/09/18 ✓

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

OLTEC GROUP TRADING LTD

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Turnover	3	9,117,694	10,561,375
Cost of sales		(7,560,276)	(8,862,559)
Gross profit		1,557,418	1,698,816
Administrative expenses		(1,381,211)	(1,439,837)
Other operating income		129,261	120,000
Operating profit	4	305,468	378,979
Interest payable and similar expenses	6	(44,528)	(59,189)
Profit before taxation		260,940	319,790
Tax on profit	7	(49,579)	(43,154)
Profit for the financial year		211,361	276,636
Retained earnings brought forward		320,740	242,776
Dividends	8	-	(198,672)
Retained earnings carried forward		532,101	320,740

The statement of income and retained earnings has been prepared on the basis that all operations are continuing operations.

OLTEC GROUP TRADING LTD

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	9		322,413		353,150
Current assets					
Debtors	10	3,348,323		3,800,234	
Cash at bank and in hand		521		529	
		3,348,844		3,800,763	
Creditors: amounts falling due within one year	11	(2,927,771)		(3,606,438)	
Net current assets			421,073		194,325
Total assets less current liabilities			743,486		547,475
Creditors: amounts falling due after more than one year	12		(25,802)		(39,491)
Provisions for liabilities	15		(19,583)		(21,244)
Net assets			698,101		486,740
Capital and reserves					
Called up share capital	18		166,000		166,000
Profit and loss reserves	19		532,101		320,740
Total equity			698,101		486,740

The financial statements were approved and signed by the director and authorised for issue on 4 September 2018

O Cavaliere
Director

Company Registration No. 00516548

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Oltec Group Trading Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 18 Beecham Court, Smithy Brook Road, Wigan, Lancashire, WN3 6PR.

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.

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 on the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Oltec Group Holding Limited. These consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

1.2 Going concern

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

1.3 Turnover

Turnover shown in the profit and loss account represents the total value of all security and facilities management services delivered during the year, at selling price excluding value added tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations to the customer.

1.4 Tangible fixed assets

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

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Plant and machinery	33% per annum reducing balance basis
Fixtures, fittings & equipment	25% per annum straight line basis and 15% per annum reducing balance basis
Motor vehicles	25% per annum reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

1.6 Cash at bank and in hand

Cash at bank and in hand 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.

1.7 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.

OLTÉC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 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.

1.9 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.

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

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

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

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The director has reviewed the economic life of tangible fixed assets based on past experience in order to arrive at appropriate depreciation rates, as disclosed in Note 1.4, to ensure that the related assets are included in the balance sheet at appropriate amounts.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
Turnover analysed by class of business		
Security services	6,099,168	6,839,579
Cleaning services	3,018,526	3,721,796
	<u>9,117,694</u>	<u>10,561,375</u>
	2018 £	2017 £
Turnover analysed by geographical market		
United Kingdom	<u>9,117,694</u>	<u>10,561,375</u>

4 Operating profit

	2018 £	2017 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	9,785	9,500
Depreciation of owned tangible fixed assets	65,619	60,576
Depreciation of tangible fixed assets held under finance leases	14,418	12,932
Loss on disposal of tangible fixed assets	4,178	1,887
Rental charges on land and buildings	<u>97,440</u>	<u>98,649</u>

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

5 Employees

	2018 Number	2017 Number
Management and administrative	25	24
General operatives	572	664
	<u>597</u>	<u>688</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	6,099,112	7,601,208
Social security costs	748,038	799,897
Pension costs	133,749	147,115
	<u>6,980,899</u>	<u>8,548,220</u>

6 Interest payable and similar expenses

	2018 £	2017 £
Interest on bank overdrafts and loans	6,459	7,055
Interest on finance leases and hire purchase contracts	3,974	9,454
Interest on invoice finance arrangements	33,878	42,680
Other interest	217	-
	<u>44,528</u>	<u>59,189</u>

7 Taxation

	2018 £	2017 £
Current tax		
UK corporation tax on profits for the current period	54,894	37,936
Adjustments in respect of prior periods	(3,654)	-
Total current tax	<u>51,240</u>	<u>37,936</u>
Deferred tax		
Origination and reversal of timing differences	(1,661)	5,218
Total tax charge	<u>49,579</u>	<u>43,154</u>

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

7 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
Profit before taxation	260,940	319,790
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	49,579	63,958
Tax effect of expenses that are not deductible in determining taxable profit	3,654	6,752
Adjustments in respect of prior years	(3,654)	-
Effect of change in corporation tax rate	-	(3,749)
Research and development tax credit	-	(23,807)
Taxation charge for the year	49,579	43,154

Reductions in the rate of UK Corporation Tax to 17% had been substantively enacted by the balance sheet date. Deferred tax has been calculated at this rate.

8 Dividends

	2018 £	2017 £
Interim paid	-	198,672

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2017	325,082	492,456	183,525	1,001,063
Additions	22,008	896	52,835	75,739
Disposals	(11,998)	-	(49,020)	(61,018)
At 31 March 2018	335,092	493,352	187,340	1,015,784
Depreciation and impairment				
At 1 April 2017	196,591	382,481	68,841	647,913
Depreciation charged in the year	22,272	16,488	41,277	80,037
Eliminated in respect of disposals	(5,390)	-	(29,189)	(34,579)
At 31 March 2018	213,473	398,969	80,929	693,371
Carrying amount				
At 31 March 2018	121,619	94,383	106,411	322,413
At 31 March 2017	128,491	109,975	114,684	353,150

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2018 £	2017 £
Motor vehicles	56,384	51,107
Depreciation charge for the year in respect of leased assets	14,418	12,932

10 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	1,793,392	2,388,971
Amounts owed by group undertakings	1,527,902	1,387,679
Prepayments and accrued income	27,029	23,584
	3,348,323	3,800,234

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Bank loans and overdrafts	13	1,003,152	1,296,695
Obligations under finance leases	14	49,375	48,226
Trade creditors		454,653	320,004
Corporation tax		54,894	37,936
Other taxation and social security		770,647	979,451
Other creditors		507,089	704,959
Accruals and deferred income		87,961	219,167
		<u>2,927,771</u>	<u>3,606,438</u>

12 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	14	<u>25,802</u>	<u>39,491</u>

13 Loans and overdrafts

	2018 £	2017 £
Bank overdrafts	<u>1,003,152</u>	<u>1,296,695</u>
Payable within one year	<u>1,003,152</u>	<u>1,296,695</u>

The bank overdrafts are secured by an unscheduled mortgage debenture incorporating a fixed and floating charge over the assets of the company. Included within bank loans and overdrafts is an invoice discounting creditor of £829,367 (2017: £1,140,487), which is secured on the book debts of the company.

14 Finance lease obligations

	2018 £	2017 £
Future minimum lease payments due under finance leases:		
Within one year	49,375	48,226
In two to five years	25,802	39,491
	<u>75,177</u>	<u>87,717</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is four years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Obligations under finance leases are secured upon the assets to which they relate.

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

15 Provisions for liabilities

	Notes	2018 £	2017 £
Deferred tax liabilities	16	19,583	21,244

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018 £	Liabilities 2017 £
Balances:		
Accelerated capital allowances	19,583	21,244
Movements in the year:		2018 £
Liability at 1 April 2017		21,244
Credit to profit or loss		(1,661)
Liability at 31 March 2018		19,583

The deferred tax liability set out above is expected to reverse within 4 years and relates to accelerated capital allowances that are expected to mature within the same period.

17 Retirement benefit schemes

	2018 £	2017 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	133,749	147,115

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

OLTEC GROUP TRADING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

18 Share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
162,000 Ordinary A shares of £1 each	162,000	162,000
4,000 Ordinary B shares of £1 each	4,000	4,000
	<u>166,000</u>	<u>166,000</u>

The A Ordinary shares and B Ordinary shares rank pari passu with each other, save as regards dividends, in that the director may, in his absolute discretion, declare a dividend in respect of the B Ordinary Shares, but shall not be obliged to declare a dividend in respect of the A Ordinary Shares and vice versa.

19 Profit and loss reserves

Profit and loss reserves represent the cumulative profits and losses, net of distributions to shareholders.

20 Financial commitments, guarantees and contingent liabilities

There is a cross guarantee between Oltec Group Holding Ltd, Oltec Group Trading Ltd, Frances Clarke Limited and Winstanley Electrical Limited in favour of the group's bankers. The maximum potential liability as at 31 March 2018 was £410,764 (2017: £716,714).

21 Controlling party

The ultimate parent undertaking is deemed to be OC Investments Limited, a company incorporated in the Isle of Man, which owns 100% of the issued Ordinary share capital of Oltec Group Holding Ltd, the immediate parent undertaking. OC Investments Limited is exempt from the requirement to prepare group accounts. The directors consider there to be no ultimate controlling party.

Oltec Group Holding Ltd owned 100% of the Ordinary A and 100% of the Ordinary B issued share capital of the company. Oltec Group Holding Ltd is registered in England and Wales and has separately prepared consolidated financial statements.