

REGISTERED NUMBER: 03415558 (England and Wales)

**Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 28th February 2017
for
GENERAL ENGINEERING
(TREATMENTS) LIMITED**

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

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for the year ended 28th February 2017**

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GENERAL ENGINEERING (TREATMENTS) LIMITED

Company Information for the year ended 28th February 2017

DIRECTORS:

Mr A P Boulton
Mr A D Varley

SECRETARY:

Mr A P Boulton

REGISTERED OFFICE:

Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

REGISTERED NUMBER:

03415558 (England and Wales)

AUDITORS:

Barrons
Chartered Accountants
& Statutory Auditors
Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Strategic Report
for the year ended 28th February 2017**

The directors present their strategic report for the year ended 28th February 2017.

The principal activity of the Company continued to be that of the surface treatment of aerospace components during the year ended 28th February 2017.

During the year under review the Company's turnover has increased by 18.7% to £7,377,193 (2016: £6,215,643) and had a gross profit margin of 45.3% (2016: 42.4%). The growth seen in previous years has now levelled out in the current year and strong margins are expected to continue into 2018, this will be achieved by a tight control of cost of sales and maintaining turnover, enhanced by investment into newer environmentally friendly processes.

Overall pre-tax profit for the year was £2,021,999 (2016: £1,457,048).

Senior management continue to effectively monitor key performance indicators via the production of accurate and timely monthly management accounts.

The Company continues to monitor market trends and will continue to seek new customers and opportunities within its sector.

The Company's operations are subject to the laws governing business in general including health and safety, labour and employment practices and other matters.

ON BEHALF OF THE BOARD:

Mr A P Boulton - Director

31st October 2017

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Report of the Directors
for the year ended 28th February 2017**

The directors present their report with the financial statements of the company for the year ended 28th February 2017.

DIVIDENDS

The total distribution of dividends for the year ended 28th February 2017 will be £ 513,424 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1st March 2016 to the date of this report.

Mr A P Boulton

Mr A D Varley

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 the directors have 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 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 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 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and 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 auditors are aware of that information.

AUDITORS

The auditors, Barrons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr A P Boulton - Director

31st October 2017

Report of the Independent Auditors to the Members of General Engineering (Treatments) Limited

We have audited the financial statements of General Engineering (Treatments) Limited for the year ended 28th February 2017 on pages six to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28th February 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

Report of the Independent Auditors to the Members of General Engineering (Treatments) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Russell Tillbrook FCCA (Senior Statutory Auditor)
for and on behalf of Barrons
Chartered Accountants
& Statutory Auditors
Monometer House
Rectory Grove
Leigh on Sea
Essex
SS9 2HN

31st October 2017

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Income Statement
for the year ended 28th February 2017**

	Notes	2017 £	£	2016 £	£
TURNOVER	3		7,377,193		6,215,643
Cost of sales			<u>4,037,344</u>		<u>3,580,498</u>
GROSS PROFIT			3,339,849		2,635,145
Administrative expenses			<u>1,318,406</u>		<u>1,422,833</u>
			2,021,443		1,212,312
Other operating income			<u>8,400</u>		<u>10,396</u>
OPERATING PROFIT	5		2,029,843		1,222,708
Income from participating interests		-		250,000	
Interest receivable and similar income		<u>766</u>		<u>614</u>	
			<u>766</u>		<u>250,614</u>
			2,030,609		1,473,322
Interest payable and similar expenses	6		<u>8,610</u>		<u>16,274</u>
PROFIT BEFORE TAXATION			2,021,999		1,457,048
Tax on profit	7		<u>420,123</u>		<u>249,865</u>
PROFIT FOR THE FINANCIAL YEAR			<u>1,601,876</u>		<u>1,207,183</u>

The notes form part of these financial statements

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Other Comprehensive Income
for the year ended 28th February 2017**

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		1,601,876	1,207,183
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,601,876</u>	<u>1,207,183</u>

The notes form part of these financial statements

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Balance Sheet
28th February 2017**

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Tangible assets	9		951,135		962,949
Investments	10		<u>1,000</u>		<u>1,000</u>
			952,135		963,949
CURRENT ASSETS					
Stocks	11	24,372		19,960	
Debtors	12	1,784,832		1,988,085	
Cash at bank and in hand		<u>3,576,951</u>		<u>2,075,152</u>	
		5,386,155		4,083,197	
CREDITORS					
Amounts falling due within one year	13	<u>1,285,890</u>		<u>1,002,523</u>	
NET CURRENT ASSETS			<u>4,100,265</u>		<u>3,080,674</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,052,400		4,044,623
CREDITORS					
Amounts falling due after more than one year	14		(45,497)		(125,582)
PROVISIONS FOR LIABILITIES	17		<u>(83,743)</u>		<u>(84,333)</u>
NET ASSETS			<u>4,923,160</u>		<u>3,834,708</u>
CAPITAL AND RESERVES					
Called up share capital	18		99		99
Retained earnings	19		<u>4,923,061</u>		<u>3,834,609</u>
SHAREHOLDERS' FUNDS			<u>4,923,160</u>		<u>3,834,708</u>

The financial statements were approved by the Board of Directors on 31st October 2017 and were signed on its behalf by:

Mr A P Boulton - Director

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Statement of Changes in Equity
for the year ended 28th February 2017**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st March 2015	99	3,073,951	3,074,050
Changes in equity			
Dividends	-	(446,525)	(446,525)
Total comprehensive income	-	1,207,183	1,207,183
Balance at 29th February 2016	99	3,834,609	3,834,708
Changes in equity			
Dividends	-	(513,424)	(513,424)
Total comprehensive income	-	1,601,876	1,601,876
Balance at 28th February 2017	99	4,923,061	4,923,160

The notes form part of these financial statements

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Cash Flow Statement
for the year ended 28th February 2017**

		2017	2016
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	2,545,662	1,393,728
Interest element of hire purchase payments paid		(8,610)	(16,274)
Tax paid		(246,761)	(307,558)
Net cash from operating activities		<u>2,290,291</u>	<u>1,069,896</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(182,128)	(213,067)
Sale of tangible fixed assets		-	21,200
Interest received		766	614
Dividends received		-	250,000
Net cash from investing activities		<u>(181,362)</u>	<u>58,747</u>
Cash flows from financing activities			
Capital repayments in year		(93,706)	(110,933)
Equity dividends paid		(513,424)	(446,525)
Net cash from financing activities		<u>(607,130)</u>	<u>(557,458)</u>
Increase in cash and cash equivalents		<u>1,501,799</u>	<u>571,185</u>
Cash and cash equivalents at beginning of year	2	2,075,152	1,503,967
Cash and cash equivalents at end of year	2	<u>3,576,951</u>	<u>2,075,152</u>

The notes form part of these financial statements

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Cash Flow Statement
for the year ended 28th February 2017**

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

	2017	2016
	£	£
Profit before taxation	2,021,999	1,457,048
Depreciation charges	193,942	171,862
Profit on disposal of fixed assets	-	(10,700)
Finance costs	8,610	16,274
Finance income	(766)	(250,614)
	<u>2,223,785</u>	<u>1,383,870</u>
Increase in stocks	(4,412)	(1,656)
Decrease in trade and other debtors	203,253	85,051
Increase/(decrease) in trade and other creditors	<u>123,036</u>	<u>(73,537)</u>
Cash generated from operations	<u>2,545,662</u>	<u>1,393,728</u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 28th February 2017

	28.2.17	1.3.16
	£	£
Cash and cash equivalents	<u>3,576,951</u>	<u>2,075,152</u>

Year ended 29th February 2016

	29.2.16	1.3.15
	£	£
Cash and cash equivalents	<u>2,075,152</u>	<u>1,503,967</u>

The notes form part of these financial statements

GENERAL ENGINEERING (TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)

Notes to the Financial Statements for the year ended 28th February 2017

1. STATUTORY INFORMATION

General Engineering (Treatments) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

Turnover

The turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before the revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less residual value over their estimated useful lives, using either a straight line or reducing balance method, as indicated below.

Improvements to property	- 10% on cost
Plant and machinery	- 20% and 10% on cost
Fixtures and fittings	- 33%, 25% and 5% on cost
Motor vehicles	- 25% on cost

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Investments in associates

Investments in associate undertakings are recognised at cost.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If Stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a money purchase pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate to.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Debtors

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amount of cash with insignificant risk of change in value.

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

2. ACCOUNTING POLICIES - continued

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, 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. Such instruments are subsequently carried at amortised cost using effective interest method, less any impairment.

3. TURNOVER

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

An analysis of turnover by geographical market is given below:

	2017	2016
	£	£
United Kingdom	6,120,518	5,368,820
Rest of the World	1,256,675	846,823
	<u>7,377,193</u>	<u>6,215,643</u>

4. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages and salaries	2,018,749	1,909,259
Social security costs	203,827	185,460
Other pension costs	4,800	4,800
	<u>2,227,376</u>	<u>2,099,519</u>

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

	2017	2016
Production	67	67
Administration	14	11
	<u>81</u>	<u>78</u>

	2017	2016
	£	£
Directors' remuneration	90,090	90,136
Directors' pension contributions to money purchase schemes	4,800	4,800

The number of directors to whom retirement benefits were accruing was as follows:

	2017	2016
Money purchase schemes	<u>1</u>	<u>1</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

5. OPERATING PROFIT

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

	2017	2016
	£	£
Hire of plant and machinery	19,247	13,138
Depreciation - owned assets	145,365	114,410
Depreciation - assets on hire purchase contracts	48,577	57,452
Profit on disposal of fixed assets	-	(10,700)
Auditors' remuneration	8,650	8,350
Foreign exchange differences	<u>(53,900)</u>	<u>17,305</u>

During the year the amount of stock recognised as an expense totalled £1,722,952 (2016: £1,470,250).

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Hire purchase interest	<u>8,610</u>	<u>16,274</u>

7. TAXATION

Analysis of the tax charge

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

	2017	2016
	£	£
Current tax:		
UK corporation tax	420,713	246,761
Deferred tax	<u>(590)</u>	<u>3,104</u>
Tax on profit	<u>420,123</u>	<u>249,865</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2017 £	2016 £
Profit before tax	<u>2,021,999</u>	<u>1,457,048</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	404,400	291,410
Effects of:		
Expenses not deductible for tax purposes	7,320	4,549
Income not taxable for tax purposes	-	(50,000)
Capital allowances in excess of depreciation	-	(182)
Depreciation in excess of capital allowances	8,993	-
Difference due to rate change during year	-	984
Deferred tax	(590)	3,104
Total tax charge	<u>420,123</u>	<u>249,865</u>

8. DIVIDENDS

	2017 £	2016 £
Ordinary shares of £1 each		
Interim	199,424	186,525
Redeemable preference shares of £1 each		
Preference dividend	<u>314,000</u>	<u>260,000</u>
	<u>513,424</u>	<u>446,525</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st March 2016	424,159	933,103	84,532	178,994	1,620,788
Additions	77,909	104,219	-	-	182,128
At 28th February 2017	<u>502,068</u>	<u>1,037,322</u>	<u>84,532</u>	<u>178,994</u>	<u>1,802,916</u>
DEPRECIATION					
At 1st March 2016	128,806	380,408	58,394	90,231	657,839
Charge for year	45,417	108,620	9,910	29,995	193,942
At 28th February 2017	<u>174,223</u>	<u>489,028</u>	<u>68,304</u>	<u>120,226</u>	<u>851,781</u>
NET BOOK VALUE					
At 28th February 2017	<u>327,845</u>	<u>548,294</u>	<u>16,228</u>	<u>58,768</u>	<u>951,135</u>
At 29th February 2016	<u>295,353</u>	<u>552,695</u>	<u>26,138</u>	<u>88,763</u>	<u>962,949</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1st March 2016	420,269	61,700	481,969
Transfer to ownership	-	(61,700)	(61,700)
At 28th February 2017	<u>420,269</u>	<u>-</u>	<u>420,269</u>
DEPRECIATION			
At 1st March 2016	125,941	49,692	175,633
Charge for year	42,027	6,550	48,577
Transfer to ownership	-	(56,242)	(56,242)
At 28th February 2017	<u>167,968</u>	<u>-</u>	<u>167,968</u>
NET BOOK VALUE			
At 28th February 2017	<u>252,301</u>	<u>-</u>	<u>252,301</u>
At 29th February 2016	<u>294,328</u>	<u>12,008</u>	<u>306,336</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

10. FIXED ASSET INVESTMENTS

	Interest in associate £
COST	
At 1st March 2016	
and 28th February 2017	<u>1,000</u>
NET BOOK VALUE	
At 28th February 2017	<u>1,000</u>
At 29th February 2016	<u>1,000</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Associated company

GEB Surface Treatments Limited

Registered office: England and Wales

Nature of business: Treatment of metals

	%		
	holding		
Class of shares:		2017	2016
Ordinary	50.00	£	£
Aggregate capital and reserves		1,231,717	675,993
Profit for the year		<u>555,724</u>	<u>182,443</u>

11. STOCKS

	2017	2016
	£	£
Raw materials	<u>24,372</u>	<u>19,960</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	1,736,242	1,917,613
Other debtors	9,000	32,208
Prepayments and accrued income	<u>39,590</u>	<u>38,264</u>
	<u>1,784,832</u>	<u>1,988,085</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Hire purchase contracts (see note 15)	80,085	93,706
Trade creditors	601,565	452,030
Corporation tax	420,713	246,761
Social security and other taxes	45,965	43,068
VAT	93,474	114,152
Other creditors	36,568	45,696
Accruals and deferred income	7,520	7,110
	<u>1,285,890</u>	<u>1,002,523</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Hire purchase contracts (see note 15)	<u>45,497</u>	<u>125,582</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2017	2016
	£	£
Gross obligations repayable:		
Within one year	84,204	102,335
Between one and five years	<u>46,614</u>	<u>130,818</u>
	<u>130,818</u>	<u>233,153</u>
	Non-cancellable operating leases	
	2017	2016
	£	£
Within one year	114,850	114,850
Between one and five years	459,399	459,399
In more than five years	<u>585,023</u>	<u>699,873</u>
	<u>1,159,272</u>	<u>1,274,122</u>

During the year lease payments of £118,183 (2016: £114,850) were recognised as an expense.

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

16. SECURED DEBTS

The following secured debts are included within creditors:

	2017 £	2016 £
Hire purchase contracts	<u>125,582</u>	<u>219,288</u>

Hire purchase debts are secured against the assets to which the debts relate.

17. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax	<u>83,743</u>	<u>84,333</u>
		Deferred tax
		£
Balance at 1st March 2016		84,333
Deferred tax		(590)
Balance at 28th February 2017		<u>83,743</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017 £	2016 £
97	Ordinary	£1	97	97
2	Redeemable preference	£1	<u>2</u>	<u>2</u>
			<u>99</u>	<u>99</u>

Both the Ordinary and Redeemable Preference shares have their voting rights and obligations set out in the Articles of Association.

19. RESERVES

	Retained earnings £
At 1st March 2016	3,834,609
Profit for the year	1,601,876
Dividends	<u>(513,424)</u>
At 28th February 2017	<u>4,923,061</u>

**GENERAL ENGINEERING
(TREATMENTS) LIMITED (REGISTERED NUMBER: 03415558)**

**Notes to the Financial Statements - continued
for the year ended 28th February 2017**

20. CAPITAL COMMITMENTS

As at the balance sheet date the company had capital commitments of £Nil (2016: £54,152) regarding plant and machinery.

21. RELATED PARTY DISCLOSURES

During the year, total dividends of £357,174 (2016 - £300,382) were paid to the directors .

The company made rental payments to directors during the year totalling £66,250 (2016: £66,250).

During the year General Engineering (Treatments) Limited received dividends from a company it has a participating interest in totalling £Nil (2016: £250,000).

As at the balance sheet date General Engineering (Treatments) Limited was owed £Nil (2016: £3,656) by a company it has participating interest in.

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