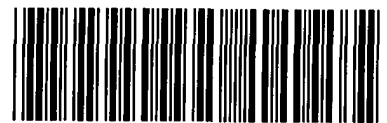


ERRUT PRODUCTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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ERRUT PRODUCTS LIMITED

COMPANY INFORMATION

Director	R K Neilson
Company secretary	R K Neilson
Registered number	00730030
Registered office	Sheen Nr Buxton Derbyshire SK17 0EU
Independent auditor	PKF Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

ERRUT PRODUCTS LIMITED

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ERRUT PRODUCTS LIMITED
REGISTERED NUMBER: 00730030

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	2018 £	2017 £
Current assets			
Debtors: amounts falling due within one year	4	45,949	37,386
Creditors: amounts falling due within one year	5	(17,624)	(16,640)
Net current assets		28,325	20,746
Creditors: amounts falling due after more than one year	6	(3,826,607)	(3,826,607)
Net liabilities excluding pension liability		(3,798,282)	(3,805,861)
Pension liability	7	(285,000)	(510,000)
Net liabilities		(4,083,282)	(4,315,861)
Capital and reserves			
Called up share capital	8	100,100	100,100
Profit and loss account		(4,183,382)	(4,415,961)
Shareholders' deficit		(4,083,282)	(4,315,861)

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



R K Neilson
Director

Date: 15th February 2019

The notes on pages 2 to 8 form part of these financial statements.

ERRUT PRODUCTS LIMITED

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

1. Accounting policies

Errut Products Limited (the company) is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

1.1 Basis of preparation of financial statements

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 31 August 2018 (2017: year ended 31 August 2017).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including section 1A of FRS 102, and the Companies Act 2006.

The following accounting policies have been applied:

1.2 Going concern

The financial statements have been prepared by the directors on a going concern basis on the grounds that the company's parent undertaking Belle Holdings Limited has confirmed that it will provide funding to the company to ensure it can meet its liabilities as they fall due for payment for a period of at least one year following the signature date of these financial statements.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover comprises of licence fee income which is recognised over the licence term when the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due.

ERRUT PRODUCTS LIMITED

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

1. Accounting policies (continued)

1.4 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.5 Finance costs

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.6 Pensions

The Errut Products Limited Pension Scheme is a defined benefit scheme. The assets are held separately from those of the company. The scheme was frozen in 1997.

In accordance with FRS 102, the regular service cost of providing retirement benefits to employees during the period, together with the cost of any benefits relating to past service is charged to operating profit in the period.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Re-measurements comprising actuarial gains and losses and the return on the net defined liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur.

The defined net benefit pension liability in the balance sheet comprises the total of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds) less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information.

1.7 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

ERRUT PRODUCTS LIMITED

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

1. Accounting policies (continued)

1.8 Taxation

The tax charge for the year comprises of current and deferred tax.

Current or deferred tax is recognised in the profit and loss account, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current or deferred tax is also recognised in other comprehensive income or directly in equity respectively.

The current and deferred tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Auditor's remuneration

The remuneration of the auditors has been borne by another group company for both 2018 and 2017.

3. Employees

The company has no employees other than the director.

4. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	45,949	37,386

ERRUT PRODUCTS LIMITED

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

5. Creditors: Amounts falling due within one year

	2018 £	2017 £
Corporation tax	1,778	2,749
Other taxation and social security	6,190	6,440
Accruals and deferred income	9,656	7,451
	<u>17,624</u>	<u>16,640</u>

6. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to group undertakings	<u>3,826,607</u>	<u>3,826,607</u>

ERRUT PRODUCTS LIMITED

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

7. Pension commitments

The company operates a Defined benefit pension scheme, which was frozen in 1997.

The pension cost and provision for the year ended 31 August 2018 are based on the advice of a professionally qualified actuary. The most recent formal valuation was performed on 5 April 2015 and this was updated to 31 August 2018.

The valuation used for FRS 102 Section 28 'Employee benefits' disclosures has been based on the most recent actuarial valuation at 5 April 2015 and updated by the scheme actuary to take account of the requirements of FRS 102 in order to assess the liabilities of the scheme as at 31 August 2018. Scheme assets are stated at their market value as at 31 August 2018.

The contribution made for the year ended 31 August 2018 was £166,000. The agreed contribution rate for future years is £151,000.

Under the projected unit method the current service cost will increase as the members of the scheme approach retirement.

Reconciliation of present value of plan liabilities:

	2018 £	2017 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	2,781,000	3,080,000
Current service cost	39,000	30,000
Interest cost	65,000	59,000
Actuarial gains	(84,000)	(252,000)
Benefits paid	(108,000)	(106,000)
Administration expenses paid	(39,000)	(30,000)
At the end of the year	2,654,000	2,781,000

Reconciliation of present value of plan assets:

	2018 £	2017 £
At the beginning of the year	2,271,000	2,162,000
Expected return on plan assets	55,000	42,000
Actuarial gains	24,000	36,000
Contributions	166,000	167,000
Benefits paid	(108,000)	(106,000)
Administration expenses paid	(39,000)	(30,000)
At the end of the year	2,369,000	2,271,000

ERRUT PRODUCTS LIMITED

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

7. Pension commitments (continued)

	2018 £	2017 £
Fair value of plan assets	2,369,000	2,271,000
Present value of plan liabilities	(2,654,000)	(2,781,000)
Net pension scheme liability	(285,000)	(510,000)

The amounts recognised in profit or loss are as follows:

	2018 £	2017 £
Administration expenses paid	(39,000)	(30,000)
Net interest costs	(10,400)	(16,800)
Total	(49,400)	(46,800)

The cumulative amount of actuarial gains and losses recognised in the statement of comprehensive income was £108,000 gain (2017: £288,000 gain).

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018 %	2017 %
Discount rate	2.70	2.40
Future pension increases	3.00	3.00
Inflation assumption (CPI)	2.10	2.05
Inflation assumption (RPI)	3.10	3.05

The mortality assumptions for the scheme liabilities as at 31 August 2018 have been based on 120% of S2PA year of birth tables with CMI 2015 projections and include a long term improvement rate of 0.5% per annum.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2018 %	2017 %
Equities	49	48
Bonds	43	46
Cash	8	6

ERRUT PRODUCTS LIMITED

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

8. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
1,000,000 deferred ordinary shares of £0.10 each	100,000	100,000
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
	100,100	100,100
	<hr/>	<hr/>

The deferred ordinary shares have no right to dividend, no voting rights and no right to attend any general meeting of the company. In the event of a return on assets on liquidation, the deferred ordinary shares are entitled to receive a sum equal to the amount paid up on the shares, but only after the holders of the ordinary shares have received a sum of £10,000,000 per share.

9. Related party transactions

The company has taken advantage of the FRS 102 Section 33.1a exemption from disclosing transactions with wholly owned group companies.

10. Controlling party

The company's immediate parent company is Belle Holdings Limited.

The company's ultimate parent undertaking and controlling party is Altrad Participations, a company incorporated in France. Altrad Participations is controlled by Dr M Altrad by virtue of his majority shareholding.

The smallest and largest group for which group financial statements are prepared is the Altrad Participations Group. Copies of the financial statements can be obtained from the company secretary at 16 Avenue de la Gardie, 34510, Florensac, France.

11. Auditor's information

As the profit and loss account has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The auditor was PKF Cooper Parry Group Limited.

Andrew Honarmand signed the auditor's report as senior statutory auditor.