

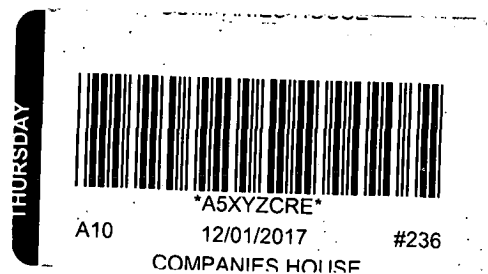
Company No. 00280746

CLAYTON & CO (PENISTONE) LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016



WALTER DAWSON & SON
CHARTERED ACCOUNTANTS & STATUTORY AUDITOR

7 Wellington Road East
Dewsbury
West Yorkshire
WF13 1HF



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
CLAYTON & CO (PENISTONE) LIMITED

We have audited the financial statements of Clayton & Co (Penistone) Limited for the year ended 31st May 2016 on pages 5 to 15. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 Directors' Report 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:

- (a) give a true and fair view of the state of the company's affairs as at 31st May 2016 and of its profit for the year then ended;
- (b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- (c) have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
CLAYTON & CO (PENISTONE) LIMITED

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on Which we are Required to Report by Exception

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

- (a) adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- (b) the financial statements are not in agreement with the accounting records and returns; or
- (c) certain disclosures of directors' remuneration specified by law are not made; or
- (d) we have not received all the information and explanations we require for our audit; or
- (e) the directors were 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 the small companies' exemption from the requirement to prepare a strategic report.



Graham Atkinson FCA (Senior Statutory Auditor)
for and on behalf of Walter Dawson & Son, Statutory Auditor.

Chartered Accountants

7 Wellington Road East
Dewsbury
West Yorkshire
WF13 1HF

8th November 2016

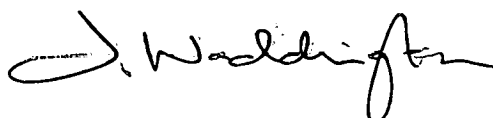
CLAYTON & CO (PENISTONE) LIMITED
BALANCE SHEET AS AT 31ST MAY 2016

		<u>2016</u>	<u>2015</u>
	<u>Note</u>	£	£
<u>FIXED ASSETS</u>			
Tangible Assets	7	551,163	549,193
Investment in Subsidiaries	8	5	5
Investments in Joint Ventures	9	1	1
		<u>551,169</u>	<u>549,199</u>
<u>CURRENT ASSETS</u>			
Stock and Work in Progress		23,351	36,231
Debtors	10	402,192	483,216
Cash at Bank and in Hand		23,017	31,467
		<u>448,560</u>	<u>550,914</u>
<u>CREDITORS: Amounts Falling Due</u>			
Within One Year	11	<u>(274,142)</u>	<u>(362,859)</u>
<u>NET CURRENT ASSETS</u>		174,418	188,055
		<u>174,418</u>	<u>188,055</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		725,587	737,254
		<u>725,587</u>	<u>737,254</u>
<u>CREDITORS: Amounts Falling Due</u>			
After More Than One Year	12	(173,589)	(198,852)
<u>PROVISION FOR LIABILITIES</u>			
Deferred Taxation		(863)	-
		<u>551,135</u>	<u>538,402</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital		56,227	56,227
Revaluation Reserve		27,311	27,311
Profit and Loss Account		467,597	454,864
<u>SHAREHOLDERS' FUNDS</u>		<u>551,135</u>	<u>538,402</u>

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

The financial statements were approved and authorised for issue by the Board of Directors on 8th November 2016 and signed on their behalf by:

D Waddington DIRECTORS



C P Bramall

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

1. STATUTORY INFORMATION

Clayton & Co (Penistone) Limited is a private company limited by shares domiciled in England and Wales, registration number 00280746. The principal place of business is Westthorpe Works, Halifax Road, Penistone, Sheffield, S36 7EY.

2. COMPLIANCE WITH ACCOUNTING STANDARDS

The accounts have been prepared in accordance with FRS 102. There are no material departures from that standard.

3. ACCOUNTING POLICIES

The financial statements for the year ended 31st May 2016 are the first financial statements that comply with FRS 102. The date of transition is 1st June 2014.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit or loss for the comparative period are explained in note 16.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The presentation currency is sterling.

The particular accounting policies adopted are as follows:

(a). Tangible Fixed Assets

Depreciation is provided on a straight line or reducing balance basis over the expected useful lives of each category of tangible fixed assets:

Freehold Buildings	2% per annum on valuation
Plant and Machinery	10% and 20% per annum on written down value
Fixtures and Fittings	10% and 25% per annum on written down value

(b). Stocks and Work in Progress

Stocks and work in progress have been valued at the lower of cost and estimated selling price less costs to sell. In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the stage of completion.

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

3. ACCOUNTING POLICIES (continued)

(c). Finance Costs of Debt

The finance costs of debt, including interest and issue costs, are allocated to each period over the term of the debt and charged to the profit and loss account at a constant rate on the outstanding amount.

(d). Income Recognition

Income is recognised when goods have been delivered to customers such that the risks and rewards of ownership have transferred to them.

(e). Deferred Taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes.

Tax deferred or accelerated is accounted for in respect of all material timing differences.

(f). Pension Costs

The company operates a defined contribution pension scheme for the benefit of its employees. Contributions payable are recognised in the profit and loss account when due.

(g). Investments

Investments comprise investments in quoted and unquoted equity instruments.

The unquoted equity instruments are measured at cost.

The quoted equity investments are measured at fair value. Changes in fair value are recognised in the profit and loss account.

(h). Cash Flow Statement

The company qualifies as a small company under the Companies Act 2006. The directors have elected to take advantage of the exemptions under FRS 102 not to prepare a cash flow statement.

(i). Consolidation

The company has taken advantage of the exemption available to small sized groups under Section 399 of the Companies Act 2006 not to prepare group accounts. Accordingly, the financial statements present information about the company as an individual undertaking and not about its group.

4. TURNOVER

The company's turnover represents the value, excluding value added tax, of goods sold and services provided to customers during the year.

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

5. EMPLOYEES

The average number of persons employed by the company (including directors) during the year was 16 (2015: 18).

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2016</u>	<u>2015</u>
	£	£
<u>Profit on Ordinary Activities before Taxation is After Charging:</u>		
Depreciation	10,329	8,891
Auditor's Remuneration	<u>2,200</u>	<u>2,200</u>

7. TANGIBLE FIXED ASSETS

	<u>Freehold Buildings</u>	<u>Plant and Machinery</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
	£	£	£	£
<u>Cost or Valuation:</u>				
At 1st June 2015	525,000	44,859	99,753	659,612
Additions	-	10,850	1,448	12,298
At 31st May 2016	<u>525,000</u>	<u>55,709</u>	<u>91,201</u>	<u>671,910</u>
<u>Depreciation:</u>				
At 1st June 2015	-	35,929	74,490	110,419
Charge for Year	-	3,117	7,211	10,328
At 31st May 2016	<u>-</u>	<u>39,046</u>	<u>81,701</u>	<u>120,747</u>
<u>Net Book Value:</u>				
At 31st May 2016	<u>525,000</u>	<u>16,663</u>	<u>9,500</u>	<u>551,163</u>
At 31st May 2015	<u>525,000</u>	<u>8,930</u>	<u>15,263</u>	<u>549,193</u>

The freehold buildings were revalued on 25 April 2014 to £525,000 by Chris Rawlands & Co Chartered Surveyors, on an open market valuation basis. Chris Rawlands & Co are not connected to Clayton & Co (Penistone) Limited

The valuation was made in accordance with the RICS Appraisal and Valuation Standards 6th Edition.

The historical cost of the freehold buildings included above at a valuation of £525,000 was £517,327 (2015: £517,327) and the aggregate depreciation thereon would have been £62,144 (2015: £51,644).

As at 31st May 2016, the directors have considered again the value of freehold buildings stated in the accounts at £525,000. In the directors opinion there has been no material change in value from the date of the last valuation.

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

8. INVESTMENT IN SUBSIDIARIES

The following are subsidiaries of the company:

	Cost	Capital and Reserves	Retained Profit for the Year	Portion of Ordinary Shares Held
	£	£	£	%
Clayton IWT Limited	1	11,428	46	100
Clayton Project Engineering Limited	1	279,957	58,775	100
Clayton M. & E. Services Limited	2	105,857	21,131	100
Clayton Penistone Group Limited	1	1	-	100
	<u>5</u>	<u>397,243</u>	<u>79,952</u>	

The above companies are registered and operate in the United Kingdom.

The principal activity of the above companies is mechanical and electrical engineering and water treatment.

9. INVESTMENT JOINT VENTURES

The following are joint ventures of the company:

	Cost	Capital and Reserves	Profit for the Year	Portion of Joint Venture Held
	£	£	£	%
Cema Clayton Consortium Limited	1	2	-	50
	<u>1</u>	<u>2</u>	<u>-</u>	

The above companies are registered and operate in the United Kingdom.

The principal activity of the above company is mechanical and electrical engineering and water treatment.

10. DEBTORS

	2016	2015
	£	£
Trade Debtors	81,925	41,166
Amount Owed by Related Parties	280,407	408,950
Other Debtors	39,860	33,100
	<u>402,192</u>	<u>483,216</u>

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

11. CREDITORS: Amounts Falling Due Within

One Year	2016	2015
	£	£
Bank Loan	31,353	31,353
Trade Creditors	38,723	30,612
Amount Owed to Related Parties	87,618	86,388
Corporation Tax	3,460	25,674
Other Creditors	112,988	188,832
	<u>274,142</u>	<u>362,859</u>

12. CREDITORS: Amounts Falling Due After
More Than One Year

	2016	2015
	£	£
Bank Loan	173,589	198,852
	<u>173,589</u>	<u>198,852</u>

Analysis of Borrowings Under Bank Loans:

	2016	2015
	£	£
Due Within One Year	31,353	31,353
Due Between One and Two Years	31,353	31,352
Due Between Two and Five Years	94,059	94,055
Due After Five Years or More	48,177	73,445
	<u>204,942</u>	<u>230,205</u>

Total Amount Falling Due After Five Years
Not Repayable by Instalments

-

-

Total Amount Repayable by Instalments
Which

48,177

73,445

48,177

73,445

Interest on the bank loan, which is repayable in April 2023, is charged at a commercial rate of interest. The bank loan is secured by a charge on the company's assets.

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

13. DIVIDENDS

	<u>2016</u>	<u>2015</u>
	£	£
Dividends on Ordinary 'B' Shares Paid in the Year	164,160	162,000
	<u> </u>	<u> </u>

14. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the pension scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund and amounted to £Nil (2015: £Nil). Contributions totalling £Nil (2015: £Nil) were payable to the fund at the year end and are included in creditors.

15. RELATED PARTY TRANSACTIONS

Clayton Project Engineering Limited, Clayton M & E Services Limited and Clayton IWT Limited are all wholly owned subsidiaries of Clayton & Co. (Penistone) Limited.

During the year the company received a dividend of £160,000 (2015: £80,000) from Clayton Project Engineering Limited.

A guarantee is in place with HSBC for group borrowings. No subsidiaries had any borrowings as at 31 May 2016.

Debtors includes the following related party balances:

<u>Name</u>	<u>2016</u>	<u>2015</u>
	£	£
Clayton Project Engineering Limited	279,700	386,292
Clayton IWT Limited	707	22,658
	<u>280,407</u>	<u>408,950</u>

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

15. RELATED PARTY TRANSACTIONS (continued)

Creditors falling due within one year includes the following related party balances:

Name	2016	2015
	£	£
Clayton M & E Services Limited	87,616	86,386
Clayton Penistone Group Limited	1	1
Cema Clayton Consortium Limited	1	1
	<u>87,618</u>	<u>86,388</u>

Creditors falling due within one year includes the following directors' loans:

Name	2016	2015
	£	£
C P Bramall	7,577	14,286
A Graham	8,466	15,925
D Waddington	8,746	15,873
	<u>24,789</u>	<u>46,084</u>

The following dividends were paid on the ordinary £1 'B' shares to the directors during the year:

Name	2016	2015
	£	£
C P Bramall	54,720	54,000
A Graham	54,720	54,000
D Waddington	54,720	54,000
	<u>164,160</u>	<u>162,000</u>

CLAYTON & CO (PENISTONE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MAY 2016

16. TRANSITION TO FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements for the year ended 31st May 2015 were prepared under previous UK GAAP, and the transition date to FRS 102 is therefore 1st June 2014.

Adopting FRS 102 has meant that a number of accounting policies have changed to comply with the new standard as follows:

Deferred Taxation

FRS102 requires the provision of deferred taxation on revaluation surpluses, arising on freehold properties, for which provision was not required prior to the adoption of FRS 102.

Consequently, the provision for deferred taxation at 1st June 2014 and 31st May 2015 has been increased by £Nil and £Nil.

Reconciliation of Equity

	1st June 2014 <u>£</u>	31st May 2015 <u>£</u>
As Previously Reported	524,900	538,402
Deferred Taxation	-	-
As Reported Under FRS 102	<u>524,900</u>	<u>538,402</u>

Reconciliation of Profit

	2015 <u>£</u>
As Previously Reported	175,502
Deferred Taxation	-
As Reported Under FRS 102	<u>175,502</u>