Registered number
01230899

Allen Vanguard Ltd

Report and Accounts

31 December 2018

Allen Vanguard Ltd
Report and accounts
Contents

Allen Vanguard Ltd
Company Information

Directors
M Lawrance
R C French

Auditor
KPMG LLP
66 Queen Square
Bristol
UK
BS1 4BE

Registered office
Browne Jacobson LLP
Bevis Marks
London
UK
EC3A 7BA

Registered number
01230899

Allen Vanguard Ltd
Registered number: 01230899
Directors' Report

The directors present their report and accounts for the year ended 31 December 2018. The Directors' report has been prepared in line with the provisions for small companies in Companies Act 2006. Accordingly, no strategic report is prepared.

Principal activities
The principal activity of the company during the period was providing engineering services supporting its parent company on the design and sale of defence related protection equipment.

Brexit is a significant economic event for the UK and due to the uncertainty around the timing and the format of any Brexit agreement there is a level of uncertainty for all businesses in the UK. The directors have made an assessment on the potential impact of Brexit, based on the current assessment of the potential outcomes and consider that the impact to the Company is limited as all the operation's activities are performed within the UK territory and with its parent company in Canada. The company could be exposed to risk through the impact on exchange rates and the effect this has on the cost base and competitiveness of the UK entity.

Research and development
Research and development expenditures of £695,000 (2017: 732,000) was incurred during the period and written off to profit & loss account.

Results for the year and Dividends
The results for the year are presented in the profit and loss account on page 6.

The directors do not recommend the payment of a dividend (2017: £nil).

Directors
The directors who served the company during the period and up to the date of approval of these financial statements were as follows:

M Lawrance
R C French

Political donations
The company made no political contributions during the period (2017: £nil). Donations to UK charities amounted to £nil (2017: £nil).

Disclosure of information to auditor
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

Auditor
Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

This report was approved by the board on 22 May 2019 and signed on its behalf.

ML

Martin Lawrance
Director

Allen Vanguard Ltd

Statement of Directors' Responsibilities in Respect of The Directors' Report and the *Financial Statements*

The directors are responsible for preparing the Director's report and accounts in accordance with applicable law and regulations,

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing as applicable matters related to going concern;and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no alternative but to do so.

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 accounts comply with the Companies Act 2006.They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLEN VANGUARD LIMITED

Opinion

We have audited the financial statements of Allen Vanguard Limited ("the company") for the year ended 31 December 2018 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLEN VANGUARD LIMITED (CONTINUED)

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Andrew Gordon

Andrew Gordon
(Senior Statutory Auditor)
for and on behalf of
KPMG LLP
Statutory Auditor, Chartered Accountants

66 Queen Square
Bristol
UK
BS1 4BE

28 MAY 2019

Allen Vanguard Ltd
Profit and Loss Account
for the year ended 31 December 2018

	Notes	2018 £ 000	2017 £ 000
Turnover	2	1,582	1,610
Cost of sales		(1,404)	(1,415)
Gross profit		178	195
Administrative expenses			
Administrative expenses	4	3	(23)
Operating profit	3	181	172
Interest receivable and similar income	5	50	62
Profit before taxation		231	234
Tax on profit	8	37	-
Profit for the financial year		268	234

Continuing operations
Profits are all from continuing activities.

There is no other comprehensive income for the current or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of other comprehensive income is presented.

The notes on pages 9 to 16 for part of these financial statements

Allen Vanguard Ltd
Registered number: 01230899
Balance Sheet
as at 31 December 2018

	Notes		2018 £ 000		2017 £ 000
Fixed assets					
Tangible assets	9		85		76
Current assets					
Debtors	10	3,030		2,341	
Cash at bank and in hand		188		2,261	
		3,218		4,602	
Creditors: amounts falling due within one year	11	(505)		(2,136)	
Net current assets			2,713		2,466
Total assets less current liabilities			2,798		2,542
Provisions for liabilities	12		(136)		(148)
Net assets			2,662		2,394
Capital and reserves					
Share premium			987		987
Capital redemption reserve			488		488
Profit and loss account			1,187		919
Shareholders' funds			2,662		2,394

Approved by the board on 22 May 2019 and signed on its behalf by:

ML

Martin Lawrance
Director
Company registered number: 01230899

The notes on pages 9 to 16 for part of these financial statements

Allen Vanguard Ltd
Statement of Changes in Equity
for the year ended 31 December 2018

	Share capital £ 000	Share premium £ 000	Capital Redemption reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2017	-	987	488	685	2,160
Total comprehensive income for the period					
Profit for the year,being total comprehensive expense for the year	-	-	-	234	234
At 31 December 2017	-	987	488	919	2,394
At 1 January 2018	-	987	488	919	2,394
Total comprehensive income for the period					
Profit for the year, being total comprehensive income for the year	-	-	-	268	268
At 31 December 2018	-	987	488	1,187	2,662

The notes on pages 9 to 16 for part of these financial statements

1 Accounting policies

Allen Vanguard Limited (the "Company") is a Company limited by shares and incorporated and domiciled in England UK with registered office Brown Jacobson LLP, Bevis Marks, London UK EC3A 7BA. These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000

The Company's parent undertaking, Allen-Vanguard International LLC includes the Company in its consolidated financial statements. The consolidated financial statements of Allen-Vanguard International LLC are prepared in accordance with US GAAP and are available to the public and may be obtained from the address in note 17. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Allen-Vanguard International LLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:
The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

As 100% of the Company's voting rights are controlled within the group headed by Allen-Vanguard International LLC, the company has taken advantage of the exemption contained in FRS102 section 33.1A and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going Concern

These financial statements have been prepared on a going concern basis.

In their going concern assessment, the Directors of the Company have considered both the position of the Company and the fact that it is party to a cross guarantee on its intermediate parent company's (Allen-Vanguard Corporation) debt. The parent's debt is repayable on June 30, 2020. In their going concern assessment the Directors have considered the ability of both the Company and Allen-Vanguard Corporation to continue as a going concern and have no reason to believe that conditions exist such that the cross guarantee will be called upon.

The Directors have reviewed a cash flow forecast for the period covering twelve months from the date of approval of these financial statements, and taking into account reasonably possible changes to operations, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. As a result, the financial statements have been prepared on a going concern basis.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:
(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.
Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows

IT Software	50% straight line
Office equipment	25% straight line
Furniture and fittings	25% straight line
Leasehold improvements	20% straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee

Turnover

Turnover includes support services provided to the Allen-Vanguard group and commissions earned where the Company acts as an agent of the group making sales fulfilled by other group companies

Commission turnover is recognised at the point a sale is made to the third party and risks and rewards of ownership have passed.

Turnover on services provided to the Allen-Vanguard group is recognised at the point costs have been incurred as it is at this point it is rechargeable to other group companies.

Turnover excludes VAT.

Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable recognised in profit and loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit and loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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

Research and development expenditure

Research and development expenditure is written off in the period in which it is incurred.

Pensions

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

2 Analysis of turnover

	2018 £ 000	2017 £ 000
By geographical market:		
North America	1,582	1,610
Rest of world	-	-
	1,582	1,610

3 Operating profit

	2018 £ 000	2017 £ 000
This is stated after charging:		
Auditor's remuneration for audit of these financial statements	22	13
Auditor's remuneration for other services in relation to taxation	6	19
Research & Development Expenditure	695	732

4 Administrative Expenses

	2018 £ 000	2017 £ 000
Reversal/(increase) of onerous lease provision	3	(23)
	3	(23)

5 Interest receivable and similar income

	2018 £ 000	2017 £ 000
Foreign exchange gains	50	62
	50	62

6 Director's emoluments

	2018 £ 000	2017 £ 000
Emoluments charged to Company	93	92
Emoluments borne by other companies	7	7
Highest paid director:		
Emoluments	93	92

One director provides services to a large number of companies across the group and is remunerated for these services by another group company. The estimate of the emoluments relating to his services for this entity are £7,000 (2017:£7000). The other director was paid by the Company and spends the majority of time on the Company's affairs and his emolument are shown above as highest paid director.

7 Staff costs

	2018 £ 000	2017 £ 000
Wages and salaries	440	335
Social security costs	46	36
Other pension costs	33	24
	519	395

Average number of employees during the year including directors	**Number**	**Number**
Administration	2	2
Development	7	5
Distribution	1	1
	10	8

8 Taxation

	2018 £ 000	2017 £ 000
Analysis of tax credit in period		
Current tax		
Current tax on profits for the year	(37)	-
Adjustments in respect of prior years	-	-
Total Current tax credit	(37)	-
Deferred Tax		
Tax losses utilised	17	17
Tax losses recognised	(17)	(17)
Total Deferred tax	-	-
Total tax credit	(37)	-

8 Taxation (continued)

Reconciliation of effective tax rate	2018 £ 000	2017 £ 000
Profit before tax	231	234
Standard rate of corporation tax in the UK	19.00%	19.25%
	£ 000	£ 000
Profit multiplied by the standard rate of corporation tax corporation tax	44	44
Effects of:		
Expenses not deductible/(Income not taxable)	3	-
Timing differences not previously recognised	(30)	(27)
Recognition of losses not previously recognised	(17)	(17)
R&D credit	(37)	-
Tax credit for period	(37)	-

Factors that may affect future tax charges
A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

Deferred tax assets of £736,000 (2017: £787,000) in relation to unutilized tax losses and other timing differences have not been recognized as the directors do not believe that the availability of suitable future tax profits against which these losses can be utilized is sufficiently certain.

9 Tangible fixed assets

	Land and buildings £ 000	Plant and machinery etc £ 000	Motor vehicles £ 000	Total £ 000
Cost				
At 1 January 2018	1,111	553	31	1,695
Additions	-	60	-	60
Disposals	-	-	-	-
At 31 December 2018	1,111	613	31	1,755
Depreciation and impairment				
At 1 January 2018	1,072	525	22	1,619
Depreciation charge for the year	24	23	4	51
On disposals	-	-	-	-
At 31 December 2018	1,096	548	26	1,670
Net book value				
At 1 January 2018	39	28	9	76
At 31 December 2018	15	65	5	85

10 Debtors

	2018 £ 000	2017 £ 000
Trade debtors	466	2,026
Amounts owed by group undertakings	2,340	-
Other debtors	55	158
Deferred tax asset	66	66
Prepayments and accrued income	103	91
	3,030	2,341

Deferred tax recognised is in respect of losses and is expected to be utilised in the next 12 months.

11 Creditors:amounts falling due within one year

	2018 £ 000	2017 £ 000
Trade creditors	20	23
Amounts owed to group undertakings	258	2,027
Accruals and deferred income	227	86
	505	2,136

12 Provision for liabilities

	Lease provision £ 000
At 1 January 2018	148
Release during the period	(3)
Amounts utilized during the year	(9)
At 31 December 2018	136

The provision relates to an onerous lease in respect tof an empty property. The company expects to utilise the provision by 31 October 2019.

13 Share capital

Allotted, called up	Nominal Value	2018 Number	2017 Number	2018 £	2017 £
A Ordinary shares	£1 each	101	101	101	101
B Ordinary shares	£1 each	2	2	2	2
				103	103

On 22 October 2018 the Company's share capital was transferred to Allen-Vanguard Corporation by PW Allen Holdings Limited.

14 Pension commitments

The Company operates defined contribution pension schemes. The pension cost for the period represents contributions payable by the Company to the schemes and amounted to £33,000 (2017: £24,000). The outstanding contribution at the end of the period was £8,600 (2017: £3,800).

15 Operating Leases

Non-cancellable operating lease rentals are payable as follows

	2018 £ 000	2017 £ 000
Less than one year	141	190
Between one and five years	-	141
	141	331

During the year £113,000 was recognised as an expense in the profit and loss account in respect of operating leases (2017: £115,000).

16 Contigent Liabilities

At 31st December 2018, the Company had various Bid and Performance bonds outstanding, amounting to £67,500 (2017: £60,000).

17 Ultimate controlling party

The Company is a subsidiary undertaking of Allen-Vanguard Corporation who's registered office is 2405 St. Laurent Blvd. suite K Ottawa, ON K1G 5B4. Contego AV Investments LLC is the ultimate parent Company incorporated in the USA with registered office 203 NE Front Street, Suite 101, Milford, DE, USA.

The smallest and largest group in which the results of the Company are consolidated is that headed by Allen-Vanguard Corporation, incorporated in Canada. The consolidated financial statements of the Group are available to the public and may be obtained from 2405 St. Laurent Blvd, Ottawa, Ontario, Canada, K1G 5B4.

18 Cross Guarantees

The Company has provided cross guarantees in respect of the borrowing facilities of its intermediate parent company, Allen-Vanguard Corporation. At 31 December 2018, the maximum extent of this guarantee amounted to $20.9 million. The cross guarantee is not deemed probable of being called upon.

19 Accounting estimates and judgements

Key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Deferred Tax Recognition

Management have recognised a deferred asset for tax losses. The recognition of a deferred tax asset for losses is dependent upon forecast profits being available to utilise the asset, which are by their nature dependent upon the operations of the group and uncertain.

Critical accounting judgments in applying the Company's accounting policies

There are no such judgments in either the current or prior year.