

REGISTERED NUMBER: 00163364 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2015
for
Abraham Moon & Sons Limited



Contents of the Financial Statements
for the Year Ended 31 December 2015

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes to the Cash Flow Statement	10
Notes to the Financial Statements	11

Abraham Moon & Sons Limited

Company Information
for the Year Ended 31 December 2015

DIRECTORS:

J P T Walsh
A J P Walsh
M Aveyard
K Cockerham
J Pickles
L K Brophy

SECRETARY:

L K Brophy

REGISTERED OFFICE:

Netherfield Mills
Netherfield Road
Guiseley
Leeds
West Yorkshire
LS20 9PA

REGISTERED NUMBER:

00163364 (England and Wales)

AUDITORS:

Queripel and Kettlewell Limited
The Barn
Hall Mews
Boston Spa
Wetherby
LS23 6DT

Strategic Report
for the Year Ended 31 December 2015

The directors present their strategic report for the year ended 31 December 2015.

REVIEW OF BUSINESS

Another positive year for the Company in terms of Operating Profit as it increased by £382k to £2,661k. Turnover reduced by £664k to £21,184k. Stock levels have increased in order to match customer demand in key areas. Cash generated from operations has improved and the Company finished the year with cash of £1,735k. The Company invested £998k in plant, machinery and systems in order to improve the quality of its products and help manufacturing efficiencies.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks and uncertainties centre on customer demand, raw material pricing and supply, foreign currency, liquidity and credit risk. The Company works closely with key raw material suppliers to ensure a consistent and reliable supply of high quality raw materials. Where appropriate, we enter forward contracts for raw materials and foreign currency and we seek to match foreign currency purchases with income from overseas sales in external currencies. The Company monitors cash flow as part of its day to day control procedures. Credit risk is managed by carrying out credit checks on new and existing customers and monitoring payment performance.

FUTURE DEVELOPMENTS

The Company continues to focus on designing high quality products that meet out customer expectations. The Company is investing in the future through creating new jobs, developing new and exciting designs, simplifying processes and investing in new manufacturing equipment. It is still too early to fully evaluate the impact of the recent European Union referendum result, however the Company sees Europe as a key market for its quality products and it will remain so for the foreseeable future.

ON BEHALF OF THE BOARD:



J P T Walsh - Director

7 September 2016

Report of the Directors
for the Year Ended 31 December 2015

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

DIVIDENDS

On 18 December 2015 the company paid an interim dividend of £100,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

J P T Walsh
A J P Walsh
M Aveyard
K Cockerham
J Pickles

Other changes in directors holding office are as follows:

G G Lockwood - resigned 31 July 2015
L K Brophy - appointed 24 April 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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.

Abraham Moon & Sons Limited (Registered number: 00163364)

Report of the Directors
for the Year Ended 31 December 2015

AUDITORS

The auditors, Queripel and Kettlewell Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



L K Brophy - Secretary

7 September 2016

Report of the Independent Auditors to the Members of
Abraham Moon & Sons Limited

We have audited the financial statements of Abraham Moon & Sons Limited for the year ended 31 December 2015 on pages six to nineteen. 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 31 December 2015 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

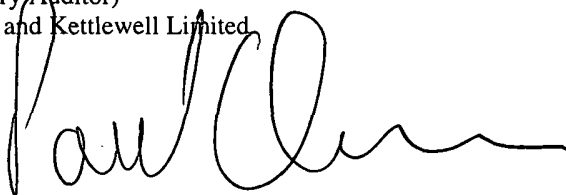
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Paul Queripel (Senior Statutory Auditor)
for and on behalf of Queripel and Kettlewell Limited
The Barn
Hall Mews
Boston Spa
Wetherby
LS23 6DT



7 September 2016

Statement of Comprehensive Income
for the Year Ended 31 December 2015

	Notes	31.12.15 £	31.12.14 £
TURNOVER	2	21,183,639	21,847,437
Cost of sales		<u>10,761,281</u>	<u>12,262,417</u>
GROSS PROFIT		10,422,358	9,585,020
Administrative expenses		<u>7,829,981</u>	<u>7,449,686</u>
		2,592,377	2,135,334
Other operating income		<u>68,900</u>	<u>144,000</u>
OPERATING PROFIT	4	2,661,277	2,279,334
Interest receivable and similar income		<u>92</u>	<u>23</u>
		2,661,369	2,279,357
Interest payable and similar charges	5	<u>56,124</u>	<u>76,467</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,605,245	2,202,890
Tax on profit on ordinary activities	6	<u>458,359</u>	<u>440,912</u>
PROFIT FOR THE FINANCIAL YEAR		2,146,886	1,761,978
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>2,146,886</u></u>	<u><u>1,761,978</u></u>

The notes form part of these financial statements

Abraham Moon & Sons Limited (Registered number: 00163364)

Balance Sheet
31 December 2015

	Notes	31.12.15 £	31.12.14 £
FIXED ASSETS			
Tangible assets	9	8,692,361	5,551,476
CURRENT ASSETS			
Stocks	10	11,028,361	10,176,287
Debtors	11	2,250,285	3,032,645
Cash at bank		<u>1,735,209</u>	<u>-</u>
		15,013,855	13,208,932
CREDITORS			
Amounts falling due within one year	12	<u>7,610,679</u>	<u>6,234,336</u>
NET CURRENT ASSETS		<u>7,403,176</u>	<u>6,974,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		16,095,537	12,526,072
CREDITORS			
Amounts falling due after more than one year	13	(1,388,608)	-
PROVISIONS FOR LIABILITIES	17	(353,288)	(369,317)
ACCRUALS AND DEFERRED INCOME	18	<u>(150,000)</u>	<u>-</u>
NET ASSETS		<u>14,203,641</u>	<u>12,156,755</u>
CAPITAL AND RESERVES			
Called up share capital	19	31,768	31,768
Capital redemption reserve	20	34,004	34,004
General reserve	20	14,137,619	12,090,755
Retained earnings	20	<u>250</u>	<u>228</u>
SHAREHOLDERS' FUNDS		<u>14,203,641</u>	<u>12,156,755</u>

The financial statements were approved by the Board of Directors on 7 September 2016 and were signed on its behalf by:



J P T Walsh - Director



L K Brophy - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Capital redemption reserve £	General reserve £	Total equity £
Balance at 1 January 2014	31,768	250	34,004	10,328,755	10,394,777
Changes in equity					
Total comprehensive income	-	(22)	-	1,762,000	1,761,978
Balance at 31 December 2014	<u>31,768</u>	<u>228</u>	<u>34,004</u>	<u>12,090,755</u>	<u>12,156,755</u>
Changes in equity					
Dividends	-	(100,000)	-	-	(100,000)
Total comprehensive income	-	100,022	-	2,046,864	2,146,886
Balance at 31 December 2015	<u>31,768</u>	<u>250</u>	<u>34,004</u>	<u>14,137,619</u>	<u>14,203,641</u>

Cash Flow Statement
for the Year Ended 31 December 2015

	Notes	31.12.15 £	31.12.14 £
Cash flows from operating activities			
Cash generated from operations	1	4,705,258	1,214,275
Interest paid		(51,345)	(76,467)
Interest element of hire purchase payments paid		(4,779)	-
Tax paid		<u>(400,033)</u>	<u>(295,999)</u>
Net cash from operating activities		<u>4,249,101</u>	<u>841,809</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,704,408)	(894,906)
Sale of tangible fixed assets		19,250	54,183
Interest received		<u>92</u>	<u>23</u>
Net cash from investing activities		<u>(3,685,066)</u>	<u>(840,700)</u>
Cash flows from financing activities			
New loans in year		1,690,770	-
Loan repayments in year		(112,387)	(16,662)
Equity dividends paid		<u>(100,000)</u>	<u>-</u>
Net cash from financing activities		<u>1,478,383</u>	<u>(16,662)</u>
Increase/(decrease) in cash and cash equivalents		<u>2,042,418</u>	<u>(15,553)</u>
Cash and cash equivalents at beginning of year	2	<u>(307,209)</u>	<u>(291,656)</u>
Cash and cash equivalents at end of year	2	<u><u>1,735,209</u></u>	<u><u>(307,209)</u></u>

Notes to the Cash Flow Statement
for the Year Ended 31 December 2015

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

	31.12.15	31.12.14
	£	£
Profit before taxation	2,605,245	2,202,890
Depreciation charges	532,942	420,470
Loss/(profit) on disposal of fixed assets	11,331	(1,267)
Government grants	(8,900)	-
Finance costs	56,124	76,467
Finance income	(92)	(23)
	<u>3,196,650</u>	<u>2,698,537</u>
Increase in stocks	(852,074)	(837,775)
Decrease/(increase) in trade and other debtors	848,910	(898,648)
Increase in trade and other creditors	<u>1,511,772</u>	<u>252,161</u>
Cash generated from operations	<u><u>4,705,258</u></u>	<u><u>1,214,275</u></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 31 December 2015

	31.12.15	1.1.15
	£	£
Cash and cash equivalents	1,735,209	-
Bank overdrafts	-	(307,209)
	<u><u>1,735,209</u></u>	<u><u>(307,209)</u></u>

Year ended 31 December 2014

	31.12.14	1.1.14
	£	£
Bank overdrafts	<u><u>(307,209)</u></u>	<u><u>(291,656)</u></u>

Notes to the Financial Statements
for the Year Ended 31 December 2015

1. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) and the Companies Act 2006. The company adopted FRS 102 in the current year and an explanation of the impact of first time adoption is given in Note 24. The company's functional and presentational currency is sterling.

Significant judgements and estimates

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The main judgement concerns the likely future demand for the company's product and how that impacts on the carrying value of stock. The directors have based their judgement on their considerable experience and understanding of the product and its market place.

Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured. Revenue is recognised when the significant risks and rewards of ownership are transferred to the buyer. Revenue is measured as the fair value of the consideration receivable excluding discounts and VAT.

Tangible fixed assets

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

Depreciation is provided to write off the cost of tangible fixed assets evenly over their expected useful lives. No depreciation is charged in the year of purchase on plant & machinery. It is calculated at the following rates :

Freehold property - 2% pa.

Plant & machinery - varying rates between 4% and 12.5% pa

Motor vehicles - 25% pa

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted accordingly if there is indication of significant change.

Government grants

Government grants received towards the purchase of tangible fixed assets are credited to the profit and loss account using the accruals method over the expected useful life of the related assets.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the purchase cost. Work in progress and finished goods include an appropriate proportion of fixed and variable overheads. At each balance sheet date, stocks are assessed for impairment. If the value of stocks is impaired, the carrying amount is reduced accordingly and the impairment loss is charged to the profit and loss account.

Taxation

The tax charge for the year comprises current and deferred tax and is recognised in the profit and loss account.

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

Foreign currencies

Foreign currency transactions are translated into the functional currency using the prevailing exchange rate at the date of the transactions. At the year end, foreign currency monetary items are translated using the year end exchange rate. Foreign exchange gains or losses resulting from the settlement of transactions and from the translation of foreign currency monetary assets or liabilities are recognised in the profit and loss account.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

1. **ACCOUNTING POLICIES - continued**

Hire purchase and leasing commitments

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

Pension costs

The company operates a defined contribution pension scheme for its employees. Contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are accrued as a liability in the balance sheet. The assets of the scheme are held separately from the company in an independently administered fund.

Financial instruments

Basic financial instruments

The company enters into basic financial instrument transactions resulting in the recognition of financial assets and liabilities such as trade debtors and trade creditors, loans from banks and loans to and from related parties. Debt instruments that are payable or receivable within one year, typically trade debtors or trade creditors, are measured at the undiscounted amount of cash or other consideration expected to be received or paid. If a short term instrument constitutes a financing transaction, such as the payment of a trade debt beyond normal business terms or financed at a non-market rate of interest, the financial asset or liability is initially measured at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Other financial instruments

The company enters into forward currency contracts which are initially valued at the transaction price. The fair value of the contracts is recalculated at the year end using the spot rate of exchange. Where the year end value is materially different from the transaction price of the contracts, the movement in value is charged to the profit and loss account.

2. **TURNOVER**

Turnover is wholly attributable to the principal activity of the company.

The analysis of turnover by geographical market required by Companies Act 2006 has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the company.

3. **STAFF COSTS**

	31.12.15	31.12.14
	£	£
Wages and salaries	5,155,719	4,766,759
Social security costs	504,589	488,626
Other pension costs	152,140	177,209
	<u>5,812,448</u>	<u>5,432,594</u>

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

	31.12.15	31.12.14
Administration	22	15
Manufacturing	195	195
Distribution	<u>3</u>	<u>3</u>
	<u>220</u>	<u>213</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

4. **OPERATING PROFIT**

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

	31.12.15	31.12.14
	£	£
Other operating leases	176,678	286,598
Depreciation - owned assets	532,942	420,470
Loss/(profit) on disposal of fixed assets	11,331	(1,267)
Auditors' remuneration	10,700	11,500
Foreign exchange differences	<u>(18,053)</u>	<u>(132,920)</u>
Directors' remuneration	616,682	610,460
Directors' pension contributions to money purchase schemes	<u>46,905</u>	<u>32,617</u>

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

Money purchase schemes	<u>4</u>	<u>3</u>
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Information regarding the highest paid director is as follows:

	31.12.15	31.12.14
	£	£
Emoluments etc	<u>161,178</u>	<u>167,250</u>

5. **INTEREST PAYABLE AND SIMILAR CHARGES**

	31.12.15	31.12.14
	£	£
Bank interest	11,252	11,285
Bank loan interest	14,613	-
Interest on late paid tax	5,358	4,297
Associate loan interest	20,122	60,885
Hire purchase interest	<u>4,779</u>	<u>-</u>
	<u>56,124</u>	<u>76,467</u>

6. **TAXATION**

Analysis of the tax charge

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

	31.12.15	31.12.14
	£	£
Current tax:		
UK corporation tax	479,746	421,419
Tax overpaid in earlier years	(5,358)	-
Deferred tax	<u>(16,029)</u>	<u>19,493</u>
Tax on profit on ordinary activities	<u>458,359</u>	<u>440,912</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

6. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	31.12.15 £	31.12.14 £
Profit on ordinary activities before tax	<u>2,605,245</u>	<u>2,202,890</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.247% (2014 - 21.493%)	527,484	473,467
Effects of:		
Expenses not deductible for tax purposes	9,897	2,043
Capital allowances in excess of depreciation	(57,635)	(54,091)
Adjustments to tax charge in respect of previous periods	(5,358)	-
Deferred tax	<u>(16,029)</u>	<u>19,493</u>
Total tax charge	<u>458,359</u>	<u>440,912</u>

7. **DIVIDENDS**

	31.12.15 £	31.12.14 £
Ordinary shares of £1 each		
Interim	<u>100,000</u>	<u>-</u>

8. **PENSIONS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge amounted to £152,140 (2014 - £177,209). There were no outstanding or prepaid contributions at the year end.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

9. **TANGIBLE FIXED ASSETS**

	Freehold property £	Short leasehold £	Plant and machinery £	Totals £
COST				
At 1 January 2015	2,563,510	72,998	10,030,912	12,667,420
Additions	2,706,228	-	998,180	3,704,408
Disposals	-	-	(1,102,381)	(1,102,381)
Transfer	72,998	(72,998)	-	-
At 31 December 2015	5,342,736	-	9,926,711	15,269,447
DEPRECIATION				
At 1 January 2015	43,971	26,446	7,045,527	7,115,944
Charge for year	80,270	-	452,672	532,942
Eliminated on disposal	-	-	(1,071,800)	(1,071,800)
Charge written back	26,446	(26,446)	-	-
At 31 December 2015	150,687	-	6,426,399	6,577,086
NET BOOK VALUE				
At 31 December 2015	5,192,049	-	3,500,312	8,692,361
At 31 December 2014	2,519,539	46,552	2,985,385	5,551,476

During the year the company acquired land and buildings from a fellow subsidiary for their fair value of £2,658,500

10. **STOCKS**

	31.12.15 £	31.12.14 £
Raw materials	4,682,261	4,253,548
Stores	76,875	78,545
Work-in-progress	976,274	1,185,148
Finished goods	5,292,951	4,659,046
	<u>11,028,361</u>	<u>10,176,287</u>

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.15 £	31.12.14 £
Trade debtors	1,913,837	2,699,583
Amounts owed by group undertakings	66,550	-
Other debtors	27,908	131,743
Prepayments and accrued income	241,990	201,319
	<u>2,250,285</u>	<u>3,032,645</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.15	31.12.14
	£	£
Bank loans and overdrafts (see note 14)	91,980	307,209
Other loans (see note 14)	-	1,042
Hire purchase contracts (see note 15)	97,795	-
Trade creditors	1,478,053	1,481,772
Amounts owed to group undertakings	3,755,004	-
Tax	479,695	421,369
Social security and other taxes	128,606	131,364
VAT	132,793	237,888
Other creditors	188,280	77,803
Amounts owed to associate	-	2,209,077
Accruals and deferred income	<u>1,258,473</u>	<u>1,366,812</u>
	<u>7,610,679</u>	<u>6,234,336</u>

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.15	31.12.14
	£	£
Bank loans (see note 14)	1,109,185	-
Hire purchase contracts (see note 15)	<u>279,423</u>	<u>-</u>
	<u>1,388,608</u>	<u>-</u>

14. **LOANS**

An analysis of the maturity of loans is given below:

	31.12.15	31.12.14
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	307,209
Bank loans	91,980	-
Other loans	<u>-</u>	<u>1,042</u>
	<u>91,980</u>	<u>308,251</u>

Amounts falling due between two and five years:

Bank loans - 2-5 years	<u>370,858</u>	<u>-</u>
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Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	<u>738,327</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.15	31.12.14
	£	£
Net obligations repayable:		
Within one year	97,795	-
Between one and five years	<u>279,423</u>	<u>-</u>
	<u>377,218</u>	<u>-</u>
	Non-cancellable operating leases	
	31.12.15	31.12.14
	£	£
Within one year	57,490	116,657
Between one and five years	229,960	49,960
In more than five years	<u>31,256</u>	<u>30,184</u>
	<u>318,706</u>	<u>196,801</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.15	31.12.14
	£	£
Bank overdraft	-	307,209
Bank loans	1,201,165	-
Hire purchase contracts	<u>377,218</u>	<u>-</u>
	<u>1,578,383</u>	<u>307,209</u>

Bank loans are secured by a fixed charge over the company's assets.

17. PROVISIONS FOR LIABILITIES

	31.12.15	31.12.14
	£	£
Deferred tax	<u>353,288</u>	<u>369,317</u>
		Deferred tax
		£
Balance at 1 January 2015		369,317
Decrease in provision		<u>(16,029)</u>
Balance at 31 December 2015		<u>353,288</u>

The estimated reduction in deferred tax provision in 2016 is £26,000.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

18. **ACCRUALS AND DEFERRED INCOME**

	31.12.15	31.12.14
	£	£
Deferred government grants	<u>150,000</u>	<u>-</u>

19. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.12.15	31.12.14
Number:	Class:	Nominal value:	£	£
31,768	Ordinary	£1	<u>31,768</u>	<u>31,768</u>

20. **RESERVES**

	Retained earnings £	Capital redemption reserve £	General reserve £	Totals £
At 1 January 2015	228	34,004	12,090,755	12,124,987
Profit for the year	2,146,886			2,146,886
Dividends	(100,000)			(100,000)
Transfer	<u>(2,046,864)</u>	<u>-</u>	<u>2,046,864</u>	<u>-</u>
At 31 December 2015	<u>250</u>	<u>34,004</u>	<u>14,137,619</u>	<u>14,171,873</u>

21. **ULTIMATE PARENT COMPANY**

Abraham Moon Holdings Limited is regarded by the directors as being the company's ultimate parent company.

22. **CAPITAL COMMITMENTS**

	31.12.15	31.12.14
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>112,137</u>

23. **RELATED PARTY DISCLOSURES**

Parent company

	31.12.15	31.12.14
	£	£
Loan to parent company	66,550	-
Amount due from related party at the year end	<u>66,550</u>	<u>-</u>

Fellow subsidiary

	31.12.15	31.12.14
	£	£
Management charge received	(60,000)	-
Purchase of freehold property	2,658,500	-
Rent paid	104,167	-
Loan interest paid	20,122	-
Amount due to related party at the year end	<u>(3,755,004)</u>	<u>-</u>

24. FIRST TIME ADOPTION OF FRS 102

This is the first year that the company has presented its financial statements under FRS 102. The last financial statements under UK GAAP were for the year ended 31 December 2014 so the date of transition to FRS 102 was therefore 1 January 2014, being the opening position for the 2014 accounts. The accounting policies applied under UK GAAP are not materially different to FRS 102 and have not impacted on equity or profit or loss.