

Registered number: 01021755

ABT PRODUCTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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ABT PRODUCTS LIMITED

COMPANY INFORMATION

DIRECTORS

M Hignett
T Morris
S Cheshire (resigned 17 April 2015)

REGISTERED NUMBER

01021755

REGISTERED OFFICE

Ashburton Industrial Estate
Ross-on-Wye
Herefordshire
HR9 7BW

INDEPENDENT AUDITORS

Randall & Payne LLP
Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

ABT PRODUCTS LIMITED

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ABT PRODUCTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

BUSINESS REVIEW

The principal activity of the company during the year was that of design and manufacture of cabs, chassis, rolls-bars, and associated steel fabrications for UK OEM's, surface finishing of third party complex steel fabrications, and design, development and manufacture of the company's own brand Loadmac truck mounted forklifts.

Due to commitments of additional products secured from existing sub-contract manufacturing customers in 2014, all activities of the business experienced high customer demand throughout the year. As a result, year on year sales and pre-tax profits both improved. Sales increased by 8.7% and pre-tax profits by 23.6%.

Securing the skilled human resource to meet the increased demand from the Company's sub-contract customers was the biggest challenge of the year. This is an ongoing challenge which is being addressed through structure, training, and importing talent from outside of the area. The skills shortage experienced during the year manifested itself in a reduction of manufacturing productivity which was compensated for by additional labour and the hard work and dedication of the Company's longest serving employees and managers.

The company's truck mounted forklift division had a static year, mainly due to manufacturing resources being diverted to meet sub-contract manufacturing customer demand. The Company took advantage of the situation and used the time to appoint and train a UK distributor for Loadmac. It is the management's opinion that Loadmac remains the sleeping giant of the business and a key strategic opportunity for the future.

During the year a significant refurbishment program commenced on the Company's Autophoretic paint plant to ensure reliability and increase capacity. This will continue in to 2016.

The current financial year has started with less demand in industrial and agricultural sectors, but demand has remained strong amongst our construction products.


We would like to thank all of the company's employees for their contribution and dedication to the company in 2015.

This report was approved by the board on

14/09/16

and signed on its behalf.

M Hignett
Director



ABT PRODUCTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report 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 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'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £514,632 (2014 - £416,710).

No further dividends have been proposed at the year end.

DIRECTORS

The directors who served during the year were:

M Hignett
T Morris
S Cheshire (resigned 17 April 2015)

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

ABT PRODUCTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

AUDITORS

The auditors, Randall & Payne LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 14/09/16 and signed on its behalf.

M Hignett
Director



ABT PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ABT PRODUCTS LIMITED

We have audited the financial statements of ABT Products Limited for the year ended 31 December 2015, set out on pages 6 to 26. The financial reporting framework that has been applied in their preparation is applicable law

and the 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 an Auditors' 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, 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 Financial Reporting Council'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 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:

- 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

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:

ABT PRODUCTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ABT PRODUCTS LIMITED

- 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.



Russel Byrd ACA FCCA (Senior statutory auditor)

for and on behalf of
Randall & Payne LLP

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date:

15th September 2016

ABT PRODUCTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	4	7,541,485	6,936,628
Cost of sales		(4,762,516)	(4,539,069)
GROSS PROFIT		2,778,969	2,397,559
Administrative expenses		(2,205,695)	(1,935,116)
OPERATING PROFIT	5	573,274	462,443
Interest receivable and similar income	9	749	1,035
Interest payable and expenses	10	(6,099)	(4,012)
PROFIT BEFORE TAX		567,924	459,466
Tax on profit	11	(53,292)	(42,756)
PROFIT FOR THE YEAR		514,632	416,710
OTHER COMPREHENSIVE INCOME FOR THE YEAR			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		514,632	416,710

There was no recognised gains and losses for 2015 or 2014 other than those included in the income statement.

ABT PRODUCTS LIMITED
REGISTERED NUMBER: 01021755

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	12	316,085	361,412
		<u>316,085</u>	<u>361,412</u>
CURRENT ASSETS			
Stocks	13	576,862	420,013
Debtors: amounts falling due within one year	14	1,787,630	1,501,868
Cash at bank and in hand	15	620,682	631,102
		<u>2,985,174</u>	<u>2,552,983</u>
Creditors: amounts falling due within one year	16	(1,078,262)	(1,170,054)
NET CURRENT ASSETS		<u>1,906,912</u>	<u>1,382,929</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,222,997</u>	<u>1,744,341</u>
Creditors: amounts falling due after more than one year	17	(89,224)	(110,491)
PROVISIONS FOR LIABILITIES			
Deferred tax	20	(57,491)	(72,200)
		<u>(57,491)</u>	<u>(72,200)</u>
NET ASSETS		<u>2,076,282</u>	<u>1,561,650</u>
CAPITAL AND RESERVES			
Called up share capital	21	18,000	18,000
Capital redemption reserve	22	50,000	50,000
Profit and loss account	22	2,008,282	1,493,650
		<u>2,076,282</u>	<u>1,561,650</u>

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

14/09/16

M Hignett
 Director



The notes on pages 11 to 26 form part of these financial statements.

ABT PRODUCTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Share capital £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 January 2015	18,000	50,000	1,493,650	1,561,650
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	514,632	514,632
Actuarial gains on pension scheme	-	-	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	514,632	514,632
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 DECEMBER 2015	18,000	50,000	2,008,282	2,076,282

ABT PRODUCTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Share capital £	Capital redemption reserve £	Retained earnings £	Total equity £
At 1 January 2014	18,000	50,000	1,076,940	1,144,940
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	416,710	416,710
OTHER COMPREHENSIVE INCOME FOR THE YEAR	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-	416,710	416,710
TOTAL TRANSACTIONS WITH OWNERS	-	-	-	-
AT 31 DECEMBER 2014	18,000	50,000	1,493,650	1,561,650

The notes on pages 11 to 26 form part of these financial statements.

ABT PRODUCTS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	514,632	416,710
ADJUSTMENTS FOR:		
Depreciation of tangible assets	108,326	94,419
Loss on disposal of tangible assets	(3,792)	(22,600)
Increase in stocks	(156,848)	241,182
Interest paid	6,099	4,012
Interest received	(749)	(1,035)
Taxation	53,293	42,756
Increase in debtors	(83,437)	(204,181)
Decrease in amounts owed by groups	(209,251)	(252,052)
Increase in creditors	(145,602)	(180,662)
Increase in amounts owed to groups	-	(111,071)
Corporation tax	(23,016)	(40,605)
NET CASH GENERATED FROM OPERATING ACTIVITIES	59,655	(13,127)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(63,000)	(320,934)
Sale of tangible fixed assets	3,792	235,108
Interest received	749	1,035
NET CASH FROM INVESTING ACTIVITIES	(58,459)	(84,791)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of/new finance leases	(5,517)	163,237
Interest paid	(6,099)	(4,012)
NET CASH USED IN FINANCING ACTIVITIES	(11,616)	159,225
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,420)	61,307
Cash and cash equivalents at beginning of year	631,102	569,795
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	620,682	631,102
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	620,682	631,102
	620,682	631,102

ABT PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

ABT Products Limited is a company incorporated in the United Kingdom.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

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

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

2.3 Tangible fixed assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 13% straight line basis
Motor vehicles	- 25% straight line basis
Computer equipment	- 33% straight line basis

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of comprehensive income.

2.4 Operating leases: Lessee

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

2.5 Stocks

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

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

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 Financial instruments

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

ABT PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (continued)

2.8 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) at cost less impairment for all other investments.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

ABT PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (continued)

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income statement at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Income statement in the same period as the related expenditure.

2.11 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income statement within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Income statement 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.

ABT PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (continued)

2.13 Leased assets: Lessor

Where assets leased to a third party give rights approximating to ownership (finance leases), the assets are treated as if they had been sold outright. The amount removed from the fixed assets is the net book value on disposal of the asset. The profit on disposal, being the excess of the present value of the minimum lease payments over net book value is credited to profit or loss.

Lease payments are analysed between capital and interest components so that the interest element of the payment is credited to profit or loss over the term of the lease and represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts owed by the lessee.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 31 December 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.16 Interest income

Interest income is recognised in the Income statement using the effective interest method.

ABT PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

2. ACCOUNTING POLICIES (continued)

2.17 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 Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

2.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.19 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project. The expenditure is treated as if it were all incurred in the research phase only.

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates of the useful economic lives of fixed assets have been made in order to include depreciation rates comparable with the rate at which the value of the assets should be recognised in the income statement. No other estimates of a material nature have been included in the accounts.

4. ANALYSIS OF TURNOVER

An analysis of turnover by class of business is as follows:

	2015 £	2014 £
Turnover	7,541,485	6,936,628
	<u>7,541,485</u>	<u>6,936,628</u>

Analysis of turnover by country of destination:

	2015 £	2014 £
United Kingdom	6,345,437	5,347,727
Rest of Europe	403,788	787,578
Rest of the world	792,260	801,323
	<u>7,541,485</u>	<u>6,936,628</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	108,326	94,419
Fees payable to the Company's auditor and its associates for the audit of the company's annual financial statements	5,500	5,250
Exchange differences	(42)	(1,586)
Defined contribution pension cost	77,406	128,709
	<u>77,406</u>	<u>128,709</u>

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

6. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	5,500	5,250
	<u>5,500</u>	<u>5,250</u>
	<u>-</u>	<u>-</u>

7. EMPLOYEES

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,237,531	1,830,778
Cost of defined contribution scheme	77,406	128,709
	<u>2,314,937</u>	<u>1,959,487</u>

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

	2015 No.	2014 No.
Directors	2	3
Direct staff	65	57
Administrative staff	20	20
	<u>87</u>	<u>80</u>

8. DIRECTORS' REMUNERATION

	2015 £	2014 £
Company contributions to defined contribution pension schemes	48,291	101,718
	<u>48,291</u>	<u>101,718</u>

During the year retirement benefits were accruing to 2 directors (2014 - 3) in respect of defined contribution pension schemes.

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

9. INTEREST RECEIVABLE

	2015	2014
	£	£
Other interest receivable	749	1,035
	749	1,035

ABT PRODUCTS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2015**

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Bank interest payable	6,099	4,012
	<u>6,099</u>	<u>4,012</u>

11. TAXATION

	2015 £	2014 £
CORPORATION TAX		
Current tax on profits for the year	68,002	13,756
	<u>68,002</u>	<u>13,756</u>
TOTAL CURRENT TAX	<u>68,002</u>	<u>13,756</u>
DEFERRED TAX		
Origination and reversal of timing differences	(14,710)	29,000
TOTAL DEFERRED TAX	<u>(14,710)</u>	<u>29,000</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>53,292</u>	<u>42,756</u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014 - *lower than*) the standard rate of corporation tax in the UK of 20% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	567,924	459,466
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 20%)	113,585	91,893
EFFECTS OF:		
Special factors affecting joint-ventures and associates leading to an increase (decrease) in the tax charge	(60,293)	(49,137)
TOTAL TAX CHARGE FOR THE YEAR	<u>53,292</u>	<u>42,756</u>

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Total £
COST OR VALUATION			
At 1 January 2015	2,239,276	102,362	2,341,638
Additions	27,000	36,000	63,000
Disposals	-	(3,200)	(3,200)
At 31 December 2015	<u>2,266,276</u>	<u>135,162</u>	<u>2,401,438</u>
DEPRECIATION			
At 1 January 2015	1,933,018	47,208	1,980,226
Charge owned for the period	42,831	22,488	65,319
Charge financed for the period	27,750	15,258	43,008
Disposals	-	(3,200)	(3,200)
At 31 December 2015	<u>2,003,599</u>	<u>81,754</u>	<u>2,085,353</u>
NET BOOK VALUE			
At 31 December 2015	<u>262,677</u>	<u>53,408</u>	<u>316,085</u>
At 31 December 2014	<u>306,258</u>	<u>55,154</u>	<u>361,412</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Plant and machinery	<u>187,223</u>	<u>230,231</u>
	<u>187,223</u>	<u>230,231</u>

13. STOCKS

	2015 £	2014 £
Raw materials and consumables	<u>576,862</u>	<u>420,013</u>
	<u>576,862</u>	<u>420,013</u>

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

14. DEBTORS

	2015 £	2014 £
Trade debtors	1,283,902	1,213,287
Amounts owed by group undertakings	461,303	252,052
Other debtors	-	6,926
Prepayments and accrued income	42,425	29,603
	<u>1,787,630</u>	<u>1,501,868</u>

15. CASH AND CASH EQUIVALENTS

	2015 £	2014 £
Cash at bank and in hand	620,682	631,102
	<u>620,682</u>	<u>631,102</u>

16. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	607,335	736,676
Amounts owed to group undertakings	15,637	15,637
Corporation tax	38,060	-
Taxation and social security	154,886	119,508
Obligations under finance lease and hire purchase contracts	69,829	54,079
Other creditors	19,203	16,329
Accruals and deferred income	173,312	227,825
	<u>1,078,262</u>	<u>1,170,054</u>

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

17. CREDITORS: Amounts falling due after more than one year

	2015 £	2014 £
Net obligations under finance leases and hire purchase contracts	89,224	110,491
	<u>89,224</u>	<u>110,491</u>

Secured loans

The company has entered into multilateral guarantees in respect of amounts due by ABT Loadmac Limited and NAM Eng Limited to HSBC Bank Plc. At 31 December 2015 the total amount of indebtedness guaranteed in this way amounted to £714,944 (2014 - £775,392).

In the event that any bank indebtedness arises it is secured by means of a charge over the parent company's freehold property.

18. HIRE PURCHASE & FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2015 £	2014 £
Within one year	69,829	54,079
Between 1-2 years	89,224	110,491
	<u>159,053</u>	<u>164,570</u>

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

19. FINANCIAL INSTRUMENTS

	2015 £	2014 £
FINANCIAL ASSETS		
Financial assets measured at fair value through profit or loss	620,682	631,102
Financial assets that are debt instruments measured at amortised cost	1,745,205	1,472,265
	<u>2,365,887</u>	<u>2,103,367</u>
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	(866,113)	(1,034,217)
	<u>(866,113)</u>	<u>(1,034,217)</u>

Financial assets measured at amortised cost comprise of trade receivables, amounts due in respect of inter group entities, prepaid expenditure and tax debtors.

Financial liabilities measured at amortised cost comprise of trade payables, amounts due in respect of inter group entities, hire purchase agreements and accrued expenditure.

20. DEFERRED TAXATION

	Deferred tax £
At 1 January 2015	(72,200)
Charged to the profit or loss	14,709
AT 31 DECEMBER 2015	<u>(57,491)</u>

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	(57,491)	(72,200)
	<u>(57,491)</u>	<u>(72,200)</u>

21. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

21. SHARE CAPITAL (continued)

18,000 Ordinary shares of £1 each	<u>18,000</u>	<u>18,000</u>
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22. RESERVES

Capital redemption reserve

This capital redemption reserve arose following the Management Buy Out in 2001, where its own shares were purchased in order to finance the arrangement.

Profit and loss account

The profit and loss account is the cumulative surplus/(deficit) of income over expenditure less Corporation Tax and Dividends from the date of incorporation.

23. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable to the scheme and amounted to £29,115 (2014 - £26,991).

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

24. CONTROLLING PARTY

The company is a 100% subsidiary undertaking of ABT Loadmac Limited. The controlling party of ABT Loadmac Limited is M J Hignett.

ABT PRODUCTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

25. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

ABT PRODUCTS LIMITED
