

Registration number 1727866

Abet Limited

Abbreviated accounts

for the year ended 31 December 2013

TUESDAY



A34E0A2Z

A14

25/03/2014

#330

COMPANIES HOUSE

Abet Limited

Contents

	Page
Director's report	1 - 3
Auditors' report	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 14

Abet Limited

Director's report for the year ended 31 December 2013

The director presents his report and the accounts for the year ended 31 December 2013

Principal activity and review of the business

The principal activity of the company is that of wholesalers of plastic and laminated products

Business review

The director would report that the year to 31st December 2013 was a very difficult year for the company. Turnover was reduced by 10% with increased competition from non EU based competitors taking market share and reducing profit margins generally.

With support from the Abet group and other sales led initiatives into new markets the company is suitably placed to meet the challenges of a continuing difficult and competitive market place in 2014 and beyond. The market for the company's products have been affected by increased non EU based competition and by the austerity measures implemented in both the public and private sectors.

Despite the difficult current economic factors affecting the industry in which the company operates, the company has maintained its position in the market place. The group continues to invest in new products and successfully bring them to market in readiness for 2014. Coupled with additional developments in local inventory holding and customer services, the director believes this will result in improved results for the future.

This continued investment by the group coupled with new business markets will allow the company to return to growth in 2014. The director is fully aware of the continued challenges in the market places.

The constant innovations in products for the market allows the director to remain confident regarding the future prospects for the business.

Results and dividends

The results for the year are set out on page 5.

The director does not recommend payment of a final dividend.

Financial risk management objectives and policies

Credit Risk

The company's credit risk is attributable to trade debtors. The company has a policy aimed at reducing the risk of losses arising from the failure of its customers. The company monitors its customers in an attempt to reduce the company's exposure to bad debts and maximise sales potential.

Currency Exchange Risk

The company makes both purchases from and sales to the Eurozone and is therefore exposed to a currency risk. The currency risk is managed by the company and its parent undertaking to ensure that it remains competitive in the UK market.

Liquidity Risk

The company has the support of its parent undertaking to allow it to manage cash balances and liquidity risk.

Abet Limited

**Director's report
for the year ended 31 December 2013**

continued

Director

The director who served during the year is as stated below

B Mazzola

Statement of director's responsibilities

The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 year. In preparing these financial statements, the director is required to

- select suitable accounting policies and apply them consistently,
- make judgements and 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

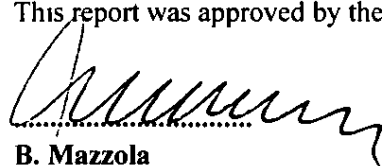
In so far as the director is aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Davis Bonley are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006

This report was approved by the Board on ¹⁴March 13, 2014 and signed on its behalf by



**B. Mazzola
Director**

**Independent auditors' report to Abet Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 5 to 14 together with the financial statements of Abet Limited for the year ended 31 December 2013 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and the auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with that provision.



**Andrew Simon Davis (senior statutory auditor)
For and on behalf of Davis Bonley
Chartered Accountants and
Registered Auditors**

**Northside House
Mount Pleasant
Barnet
Herts EN4 9EE**

21/3/14

Abet Limited

Abbreviated profit and loss account for the year ended 31 December 2013

		Continuing operations	
		2013	2012
	Notes	£	£
Turnover		7,212,762	8,045,656
Gross profit		348,122	903,126
Distribution costs		(77,726)	(71,610)
Administrative expenses		(1,389,688)	(1,400,944)
Operating loss	2	(1,119,292)	(569,428)
Other interest receivable and similar income	4	-	40
Interest payable and similar charges	5	(50,601)	(5,920)
Loss on ordinary activities before taxation		(1,169,893)	(575,308)
Tax on loss on ordinary activities		-	-
Loss for the year	14	(1,169,893)	(575,308)
Retained profit brought forward		731,450	1,306,758
Accumulated (loss)/profit carried forward		(438,443)	731,450

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 8 to 14 form an integral part of these financial statements.

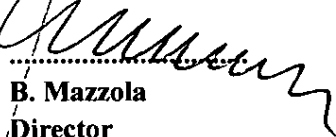
Abet Limited

**Abbreviated balance sheet
as at 31 December 2013**

		2013		2012	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		1,540,232		1,594,326
Current assets					
Stocks	9	2,851,059		2,711,255	
Debtors	10	2,771,574		3,974,283	
Cash at bank and in hand		150,705		67,985	
		<u>5,773,338</u>		<u>6,753,523</u>	
Creditors: amounts falling due within one year	11	<u>(4,247,003)</u>		<u>(4,979,738)</u>	
Net current assets			<u>1,526,335</u>		<u>1,773,785</u>
Total assets less current liabilities			3,066,567		3,368,111
Creditors: amounts falling due after more than one year	12		<u>(2,505,010)</u>		<u>(1,636,661)</u>
Net assets			<u>561,557</u>		<u>1,731,450</u>
Capital and reserves					
Called up share capital	13		1,000,000		1,000,000
Profit and loss account	14		<u>(438,443)</u>		<u>731,450</u>
Shareholders' funds	15		<u>561,557</u>		<u>1,731,450</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Section 445(3) of the Companies Act 2006 relating to medium-sized companies

The abbreviated accounts were approved by the Board on March 13, 2014 and signed on its behalf by


.....
B. Mazzola
Director

Registration number 1727866

The notes on pages 8 to 14 form an integral part of these financial statements.

Abet Limited

**Cash flow statement
for the year ended 31 December 2013**

	Notes	2013 £	2012 £
Reconciliation of operating loss to net cash inflow from operating activities			
Operating loss		(1,119,292)	(569,428)
Depreciation		69,409	69,561
(Increase) in stocks		(139,804)	(339,076)
Decrease in debtors		1,202,709	(584,940)
Increase in creditors		91,170	(910,241)
Net cash inflow from operating activities		<u>104,192</u>	<u>(2,334,124)</u>
Cash flow statement			
Net cash inflow from operating activities		104,192	(2,334,124)
Returns on investments and servicing of finance	17	(50,601)	(5,880)
Capital expenditure	17	(15,315)	(50,410)
		38,276	(2,390,414)
Financing	17	44,444	2,460,566
Increase in cash in the year		<u>82,720</u>	<u>70,152</u>
Reconciliation of net cash flow to movement in net funds (Note 18)			
Increase in cash in the year		82,720	70,152
Cash outflow from decrease in debts and lease financing		(44,444)	(2,460,566)
Change in net funds resulting from cash flows		38,276	(2,390,414)
Net debt at 1 January 2013		<u>(2,392,581)</u>	<u>(2,167)</u>
Net debt at 31 December 2013		<u>(2,354,305)</u>	<u>(2,392,581)</u>

Abet Limited

Notes to the abbreviated financial statements for the year ended 31 December 2013

continued

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Land and buildings	-	Straight line over fifty years
Plant and machinery	-	20% Straight Line
Fixtures, fittings and equipment	-	15%/20% Straight Line
Motor vehicles	-	25% Straight Line
Computer equipment	-	20% Straight Line

1.4. Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow-moving stocks

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax at a future date

Deferred tax assets are recognised only to the extent that the directors considers it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

Abet Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2013**

2. Operating loss	2013	2012
	£	£
Operating loss is stated after charging		
Depreciation and other amounts written off tangible assets	68,698	72,600
Loss on disposal of tangible fixed assets	711	-
Auditors' remuneration (Note 3)	16,500	16,000
	<u> </u>	<u> </u>
and after crediting		
Profit on disposal of tangible fixed assets	-	3,000
Net foreign exchange gain	(50,018)	(66,636)
 3. Auditors' remuneration	 2013	 2012
	£	£
Auditors' remuneration - audit of the financial statements	16,500	16,000
	<u> </u>	<u> </u>
 4. Interest receivable and similar income	 2013	 2012
	£	£
Other interest	-	40
	<u> </u>	<u> </u>
 5. Interest payable and similar charges	 2013	 2012
	£	£
Interest payable on loans < 1 yr	50,601	5,920
	<u> </u>	<u> </u>

Abet Limited

Notes to the abbreviated financial statements for the year ended 31 December 2013

continued

6. Employees

Number of employees	2013	2012
The average monthly numbers of employees (including the director) during the year were		
Office and Management	9	10
Production and Sales	7	7
	<u>16</u>	<u>17</u>
Employment costs	2013	2012
	£	£
Wages and salaries	501,245	517,918
Social security costs	66,707	72,037
Pension costs-other operating charge	25,839	31,423
	<u>593,791</u>	<u>621,378</u>

7. Pension costs

The company operates a defined contribution pension scheme in respect of employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £25,839 (2012 - £31,423).

Abet Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2013**

continued

8. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost						
At 1 January 2013	2,046,186	182,280	70,517	122,458	73,836	2,495,277
Additions	-	150	-	23,845	855	24,850
Disposals	-	-	-	(12,610)	-	(12,610)
At 31 December 2013	<u>2,046,186</u>	<u>182,430</u>	<u>70,517</u>	<u>133,693</u>	<u>74,691</u>	<u>2,507,517</u>
Depreciation						
At 1 January 2013	558,363	138,078	56,368	82,831	65,311	900,951
On disposals	-	-	-	(2,364)	-	(2,364)
Charge for the year	35,981	12,147	2,206	15,129	3,235	68,698
At 31 December 2013	<u>594,344</u>	<u>150,225</u>	<u>58,574</u>	<u>95,596</u>	<u>68,546</u>	<u>967,285</u>
Net book values						
At 31 December 2013	<u>1,451,842</u>	<u>32,205</u>	<u>11,943</u>	<u>38,097</u>	<u>6,145</u>	<u>1,540,232</u>
At 31 December 2012	<u>1,487,823</u>	<u>44,202</u>	<u>14,149</u>	<u>39,627</u>	<u>8,525</u>	<u>1,594,326</u>

9. Stocks	2013 £	2012 £
Finished goods and goods for resale	<u>2,851,059</u>	<u>2,711,255</u>

10. Debtors	2013 £	2012 £
Trade debtors	2,679,690	3,775,058
Other debtors	180	77,638
Prepayments and accrued income	91,704	121,587
	<u>2,771,574</u>	<u>3,974,283</u>

Abet Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2013**

continued

11. Creditors: amounts falling due within one year	2013 £	2012 £
Loan from parent company	-	823,905
Trade creditors	87,934	121,851
Amounts owed to group undertaking	3,864,644	3,714,969
Corporation tax	2,562	2,562
Other taxes and social security costs	234,638	247,782
Accruals and deferred income	57,225	68,669
	<u>4,247,003</u>	<u>4,979,738</u>
12. Creditors: amounts falling due after more than one year	2013 £	2012 £
Loan from parent company	<u>2,505,010</u>	<u>1,636,661</u>
13. Share capital	2013 £	2012 £
Authorised		
10,000 Ordinary shares of 100 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of 100 each	<u>1,000,000</u>	<u>1,000,000</u>
Equity Shares		
10,000 Ordinary shares of 100 each	<u>1,000,000</u>	<u>1,000,000</u>
14. Equity Reserves	Profit and loss account £	Total £
At 1 January 2013	731,450	731,450
Loss for the year	(1,169,893)	(1,169,893)
At 31 December 2013	<u>(438,443)</u>	<u>(438,443)</u>

Abet Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2013**

continued

15. Reconciliation of movements in shareholders' funds	2013	2012
	£	£
Loss for the year	(1,169,893)	(575,308)
Opening shareholders' funds	1,731,450	2,306,758
Closing shareholders' funds	<u>561,557</u>	<u>1,731,450</u>
 16. Ultimate parent undertaking		
The ultimate holding company is Abet S p A , a Company incorporated in Italy		
 17. Gross cash flows		
	2013	2012
	£	£
Returns on investments and servicing of finance		
Interest received	-	40
Interest paid	(50,601)	(5,920)
	<u>(50,601)</u>	<u>(5,880)</u>
 Capital expenditure		
Payments to acquire tangible assets	(24,850)	(53,410)
Receipts from sales of tangible assets	9,535	3,000
	<u>(15,315)</u>	<u>(50,410)</u>
 Financing		
Other new long term loans	44,444	1,636,661
Other new short term loans	-	823,905
	<u>44,444</u>	<u>2,460,566</u>

Abet Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2013**

continued

18. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	67,985	82,720	150,705
Debt due after one year	(2,460,566)	(44,444)	(2,505,010)
Net funds	<u>(2,392,581)</u>	<u>38,276</u>	<u>(2,354,305)</u>