

REGISTERED NUMBER: 04882353 (England and Wales)

FINANCIAL STATEMENTS
FOR THE PERIOD
1 SEPTEMBER 2016 TO 31 DECEMBER 2017
FOR
ABLE2 UK LIMITED

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for the Period 1 September 2016 to 31 December 2017**

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ABLE2 UK LIMITED

COMPANY INFORMATION
for the Period 1 September 2016 to 31 December 2017

DIRECTORS:	I S Reed M Diaj
REGISTERED OFFICE:	Bridge Mill Moorgate Street Blackburn Lancashire BB2 4PB
REGISTERED NUMBER:	04882353 (England and Wales)
AUDITORS:	Fairhurst Statutory Auditor Chartered Accountants Douglas Bank House Wigan Lane Wigan Lancashire WN1 2TB
BANKERS:	Handelsbanken First Floor Sunlight House Quay Street Manchester M3 3JZ
SOLICITORS:	Brabners LLP 55 King Street Manchester M2 4LQ

STATEMENT OF FINANCIAL POSITION
31 December 2017

	Notes	2017 £	£	2016 £	£
FIXED ASSETS					
Intangible assets	4		486,245		466,138
Tangible assets	5		605,478		617,614
Investments	6		376,105		267,518
			<u>1,467,828</u>		<u>1,351,270</u>
CURRENT ASSETS					
Stocks		475,509		482,420	
Debtors	7	3,350,165		3,215,020	
Cash at bank and in hand		<u>1,790,814</u>		<u>1,856</u>	
		5,616,488		3,699,296	
CREDITORS					
Amounts falling due within one year	8	<u>3,866,783</u>		<u>1,889,133</u>	
NET CURRENT ASSETS			<u>1,749,705</u>		<u>1,810,163</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,217,533		3,161,433
CREDITORS					
Amounts falling due after more than one year	9		<u>407,886</u>		<u>2,236,314</u>
NET ASSETS			<u>2,809,647</u>		<u>925,119</u>
CAPITAL AND RESERVES					
Called up share capital	11		1,756,396		1,000
Share premium			187,983		187,983
Capital redemption reserve			1,170,264		1,170,264
Retained earnings			<u>(304,996)</u>		<u>(434,128)</u>
SHAREHOLDERS' FUNDS			<u>2,809,647</u>		<u>925,119</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 8 May 2018 and were signed on its behalf by:

M Diaj - Director

NOTES TO THE FINANCIAL STATEMENTS
for the Period 1 September 2016 to 31 December 2017

1. STATUTORY INFORMATION

Able2 UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Able2 UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer, which is usually at the point the customer has signed for the goods. Turnover is measured at the fair value of the consideration received or receivable for goods and services and is shown net of VAT.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of subsidiaries is stated at cost net of amortisation and any impairment. Goodwill is being amortised evenly over its estimated useful life of 10 years in accordance with FRS 102 Section 1A.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- straight line over 3 years

Tangible fixed assets are stated at cost less depreciation and any impairment.

Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the profit or loss.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less impairment.

Stocks

Stocks are measured at the lower of cost and selling price less cost to complete and sell. Cost is measured at the most recent purchase price and other costs incurred in bringing the stocks to their present location and condition.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 September 2016 to 31 December 2017

2. ACCOUNTING POLICIES - continued

Financial instruments

Basic financial instruments that are payable or receivable within one year, typically trade creditors and debtors, are measured initially and subsequently at the undiscounted amount of the cash or other consideration that is expected to be paid or received less impairment losses for bad and doubtful debts.

Related party loans have no stated interest rate, are payable on demand and are measured at the undiscounted amount due.

Taxation

Taxation for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the lease term. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Employee benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Short term employee benefits are recognised as an expense in the period in which they are incurred.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the period was 40 (2016 - 38).

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 September 2016 to 31 December 2017

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Patents and licences £	Totals £
COST			
At 1 September 2016	1,033,915	30,000	1,063,915
Additions	90,559	-	90,559
At 31 December 2017	<u>1,124,474</u>	<u>30,000</u>	<u>1,154,474</u>
AMORTISATION			
At 1 September 2016	567,777	30,000	597,777
Amortisation for period	70,452	-	70,452
At 31 December 2017	<u>638,229</u>	<u>30,000</u>	<u>668,229</u>
NET BOOK VALUE			
At 31 December 2017	<u>486,245</u>	<u>-</u>	<u>486,245</u>
At 31 August 2016	<u>466,138</u>	<u>-</u>	<u>466,138</u>

5. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2016	773,920	563,685	56,538	498,950	1,893,093
Additions	-	18,707	25,026	4,710	48,443
Disposals	-	-	(56,539)	-	(56,539)
At 31 December 2017	<u>773,920</u>	<u>582,392</u>	<u>25,025</u>	<u>503,660</u>	<u>1,884,997</u>
DEPRECIATION					
At 1 September 2016	204,166	555,985	21,119	494,209	1,275,479
Charge for period	16,636	5,177	16,346	3,346	41,505
Eliminated on disposal	-	-	(37,465)	-	(37,465)
At 31 December 2017	<u>220,802</u>	<u>561,162</u>	<u>-</u>	<u>497,555</u>	<u>1,279,519</u>
NET BOOK VALUE					
At 31 December 2017	<u>553,118</u>	<u>21,230</u>	<u>25,025</u>	<u>6,105</u>	<u>605,478</u>
At 31 August 2016	<u>569,754</u>	<u>7,700</u>	<u>35,419</u>	<u>4,741</u>	<u>617,614</u>

The net book value of tangible fixed assets includes £ 25,025 (2016 - £ 35,419) in respect of assets held under hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 September 2016 to 31 December 2017

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 September 2016	267,518
Additions	<u>108,587</u>
At 31 December 2017	<u>376,105</u>
NET BOOK VALUE	
At 31 December 2017	<u>376,105</u>
At 31 August 2016	<u>267,518</u>

7. DEBTORS

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	456,370	538,889
Amounts owed by group undertakings	-	35,312
Other debtors	121,420	121,420
Deferred tax asset	3,828	8,244
Prepayments and accrued income	<u>159,594</u>	<u>53,887</u>
	<u>741,212</u>	<u>757,752</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	2,608,953	2,455,695
Other debtors	-	1,573
	<u>2,608,953</u>	<u>2,457,268</u>
Aggregate amounts	<u>3,350,165</u>	<u>3,215,020</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Bank loans and overdrafts	60,000	249,200
Hire purchase contracts	10,175	7,737
Trade creditors	446,503	657,989
Amounts owed to group undertakings	159,586	11,000
Amounts owed to related undertakings	2,950	2,950
Tax	83,953	32,922
Social security and other taxes	123,748	51,795
Other creditors	152,129	106,295
Invoice discounting	257,819	-
Directors' loan accounts	2,513,594	693,848
Accrued expenses	<u>56,326</u>	<u>75,397</u>
	<u>3,866,783</u>	<u>1,889,133</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 September 2016 to 31 December 2017

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

	2017 £	2016 £
Bank loans	380,000	449,110
Preference shares	-	1,755,396
Hire purchase contracts	27,886	31,808
	<u>407,886</u>	<u>2,236,314</u>

Amounts falling due in more than five years:

Repayable by instalments		
Preference shares	<u>-</u>	<u>1,755,396</u>

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	2017 £	2016 £
Bank overdraft	-	174,200
Bank loans	440,000	524,110
Hire purchase contracts	38,061	39,545
Invoice discounting	257,819	-
	<u>735,880</u>	<u>737,855</u>

Hire purchase contracts are secured on the assets to which they relate.

There is a debenture and a fixed and floating charge secured on the assets of the company in favour of Svenska Handelsbanken AB (Publ). There is also an unlimited intercompany composite guarantee between Able2 UK Limited, ADL Holdings Limited and Spinal Products Limited.

11. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2017 £	2016 £
1,756,396 (2016 - 1,000)	Ordinary		<u>1,756,396</u>	<u>1,000</u>

On the 4 December 2017 the share capital of the company was converted to Ordinary shares, which meant that the 1,755,396 redeemable preference shares in existence at that date have been converted and redesignated. The redeemable preference shares had previously been classified as debt and included in creditors (see note 10).

12. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

John B S Fairhurst BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Fairhurst

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Period 1 September 2016 to 31 December 2017**

13. OTHER FINANCIAL COMMITMENTS

The company had total operating lease commitments of £48,503 (2016 - £98,637) at the period end.

14. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

15. PARENT COMPANY

The company is a wholly owned subsidiary of ADL Holdings Limited, a company registered in England and Wales whose registered office is Bridge Mill, Moorgate Street, Blackburn, Lancashire, BB2 4PB.

16. FIRST YEAR ADOPTION

These financial statements for the period ended 31 December 2017 are the first financial statements that comply with FRS 102 Section 1A for small entities. The directors have concluded that there are no measurement differences on transition however certain amounts owed by and to group undertakings have been restated as falling due within one year as they are deemed to be repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.