

REGISTERED NUMBER: 03404297 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015
FOR
TERBERG MATEC UK LIMITED**

THURSDAY



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TERBERG MATEC UK LIMITED

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for the Year Ended 31 December 2015**

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TERBERG MATEC UK LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2015

DIRECTORS:

T Conlon
W Marzano
G Terberg
R D Colby

SECRETARY:

R Dekker

REGISTERED OFFICE:

Leacroft Road
Birchwood
Warrington
Cheshire
WA3 6PJ

REGISTERED NUMBER:

03404297 (England and Wales)

AUDITORS:

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

TERBERG MATEC UK LIMITED

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

The principal activity of the company is the sale and support of binlifting equipment and recycler vehicles.

The year under review has seen customers grappling with finding the most effective and efficient way to collect and process waste. This has divided the market between those who sort different types of waste at the kerbside and those who prefer to co-mingle waste and sort it later at a processing facility.

This has led to lower turnover and a reduction in our manufacturing capacity but the results are still encouraging which have been achieved by some improvement in exchange rates and efficiency, together with a limited reorganisation to ensure our capacity matches demand.

Overall, we are satisfied with the performance of the business.

The debate over the best way to collect waste is still continuing into 2016 but we are confident that we have a range of products to meet any outcome.

PRINCIPAL RISKS AND UNCERTAINTIES

The company faces a number of risks and uncertainties and the directors believe that the key business risks are in respect of competition in the market place and ensuring appropriate product development and availability. The company is subject to a degree of exchange rate risk, which is mitigated where possible by foreign exchange forward contracts.

FUTURE DEVELOPMENTS

The directors anticipate the business environment will continue to be competitive but are confident the company has a product range and engineering capability to meet customer requirements.

RESEARCH AND DEVELOPMENT

The company has a continuous programme of research and development to improve the performance and reliability of its products as well as ensuring it remains a market leader compliant with the latest environmental guidelines and legislation.

FINANCIAL INSTRUMENTS

The company has a normal level of exposure to price, credit, liquidity, and cash flow risks arising from trading activities which are conducted in the world-wide market place. Accordingly the company uses foreign currency forward contracts to mitigate currency risk.

ON BEHALF OF THE BOARD:



.....
W Marzano - Director

Date: 27 June 2016

TERBERG MATEC UK LIMITED

**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

The total distribution of dividends for the year ended 31 December 2015 will be £1,150,000.

DIRECTORS

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

T Conlon
W Marzano
G Terberg
R D Colby

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

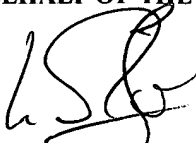
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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.

AUDITORS

The auditors, Fairhurst, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
W Marzano - Director

Date: 27 June 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TERBERG MATEC UK LIMITED

We have audited the financial statements of Terberg Matec UK Limited for the year ended 31 December 2015 on pages six to fifteen. 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TERBERG MATEC UK LIMITED**

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.

Peter J Cheetham FCA

Peter J Cheetham FCA (Senior Statutory Auditor)
for and on behalf of Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
WN1 2TB

Date: *7 July 2016*

TERBERG MATEC UK LIMITED

**INCOME STATEMENT
for the Year Ended 31 December 2015**

	Notes	2015 £	2014 £
TURNOVER		25,024,098	27,150,552
Cost of sales		<u>19,415,187</u>	<u>22,811,064</u>
GROSS PROFIT		5,608,911	4,339,488
Administrative expenses		<u>2,874,664</u>	<u>3,075,159</u>
OPERATING PROFIT	3	2,734,247	1,264,329
Interest receivable and similar income		<u>1,206</u>	<u>731</u>
		2,735,453	1,265,060
Interest payable and similar charges	4	<u>16,256</u>	<u>44,431</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,719,197	1,220,629
Tax on profit on ordinary activities	5	<u>564,416</u>	<u>278,900</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>2,154,781</u></u>	<u><u>941,729</u></u>

The notes form part of these financial statements

TERBERG MATEC UK LIMITED

OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2015

	Notes	2015 £	2014 £
PROFIT FOR THE YEAR		2,154,781	941,729
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>2,154,781</u></u>	<u><u>941,729</u></u>


The notes form part of these financial statements

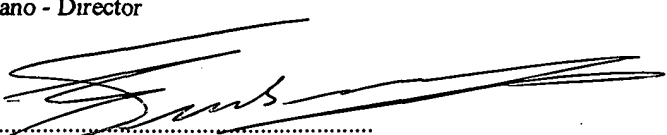
TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

STATEMENT OF FINANCIAL POSITION
31 December 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	1,970,357	2,097,660
CURRENT ASSETS			
Stocks	8	2,535,144	3,318,367
Debtors	9	6,598,706	5,368,272
Cash at bank and in hand		<u>3,163,000</u>	<u>2,041,567</u>
		12,296,850	10,728,206
CREDITORS			
Amounts falling due within one year	10	<u>6,454,048</u>	<u>5,854,260</u>
NET CURRENT ASSETS		<u>5,842,802</u>	<u>4,873,946</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,813,159	6,971,606
PROVISIONS FOR LIABILITIES	14	(320,123)	(344,658)
CREDITORS FALLING DUE IN GREATER THAN ONE YEAR	15	<u>(700,203)</u>	<u>(838,896)</u>
NET ASSETS		<u><u>6,792,833</u></u>	<u><u>5,788,052</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	100,000	100,000
Retained earnings	17	<u>6,692,833</u>	<u>5,688,052</u>
SHAREHOLDERS' FUNDS		<u><u>6,792,833</u></u>	<u><u>5,788,052</u></u>

The financial statements were approved by the Board of Directors on 27 June 2016 and were signed on its behalf by:


.....
W Marzano - Director


.....
G Terberg - Director

The notes form part of these financial statements

TERBERG MATEC UK LIMITED
STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2015

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2014	-	5,829,323	5,829,323
Changes in equity			
Issue of share capital	100,000	-	100,000
Dividends	-	(1,083,000)	(1,083,000)
Total comprehensive income	-	941,729	941,729
	<u>100,000</u>	<u>5,688,052</u>	<u>5,788,052</u>
Balance at 31 December 2014			
Changes in equity			
Dividends	-	(1,150,000)	(1,150,000)
Total comprehensive income	-	2,154,781	2,154,781
	<u>100,000</u>	<u>6,692,833</u>	<u>6,792,833</u>
Balance at 31 December 2015			

The notes form part of these financial statements

TERBERG MATEC UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with 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.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover represents the net value of goods and services sold, excluding the sale of chassis which are provided under an agency agreement. Sales of extended warranties are recognised over the period of the warranty in line with FRS 102 section 23. Turnover is recognised in full upon completion of a product to saleable condition.

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.

Freehold property	- 2% on cost
Plant and machinery	- 10% to 25% on cost
Motor vehicles	- 20% to 25% on cost
Computer equipment	- 25% to 50% on cost

Impairment of assets is reviewed on an annual basis and any material change in value disclosed in the accounts.

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Goods held in work in progress remain in stock and both turnover and profit are recognised on completion of the job.

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.

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.

The company maintains forward contracts in place to cover at least 70% of the expected currency spend in the next 6 months.

Pension costs and other post-retirement 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.

Leasing commitments

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

TERBERG MATEC UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015**

2. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	3,558,820	4,466,270
Social security costs	363,797	430,731
Other pension costs	<u>448,785</u>	<u>475,705</u>
	<u><u>4,371,402</u></u>	<u><u>5,372,706</u></u>

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

	2015	2014
Sales and administration	41	47
Production	<u>67</u>	<u>91</u>
	<u><u>108</u></u>	<u><u>138</u></u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2015	2014
	£	£
Depreciation - owned assets	222,807	353,549
Auditors' remuneration	<u>24,190</u>	<u>15,750</u>
Directors' remuneration	<u><u>409,274</u></u>	<u><u>328,224</u></u>

Information regarding the highest paid director is as follows:

	2015	2014
	£	£
Emoluments etc.	<u><u>166,503</u></u>	<u><u>148,519</u></u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank & other interest	<u><u>16,256</u></u>	<u><u>44,431</u></u>

5. TAXATION

Analysis of the tax charge

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

	2015	2014
	£	£
Current tax:		
UK corporation tax	564,984	308,447
Deferred tax	<u>(568)</u>	<u>(29,547)</u>
Tax on profit on ordinary activities	<u><u>564,416</u></u>	<u><u>278,900</u></u>

TERBERG MATEC UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015**

5. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>2,719,197</u>	<u>1,220,629</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.246% (2014 - 21.493%)	550,529	262,350
Effects of:		
Expenses not deductible for tax purposes	9,702	9,636
Depreciation in excess of capital allowances	14,425	15,879
Research and development uplift	(10,240)	(8,965)
	<u>564,416</u>	<u>278,900</u>
Total tax charge	<u>564,416</u>	<u>278,900</u>

6. DIVIDENDS

	2015 £	2014 £
Ordinary shares of £1 each		
Interim	<u>1,150,000</u>	<u>1,083,000</u>

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2015	2,590,281	1,800,116	313,218	416,162	5,119,777
Additions	-	33,053	54,830	20,921	108,804
Disposals	<u>-</u>	<u>(23,381)</u>	<u>(67,221)</u>	<u>(51,740)</u>	<u>(142,342)</u>
At 31 December 2015	<u>2,590,281</u>	<u>1,809,788</u>	<u>300,827</u>	<u>385,343</u>	<u>5,086,239</u>
DEPRECIATION					
At 1 January 2015	772,782	1,656,102	242,853	350,380	3,022,117
Charge for year	57,920	70,291	46,498	48,098	222,807
Eliminated on disposal	<u>-</u>	<u>(23,381)</u>	<u>(53,921)</u>	<u>(51,740)</u>	<u>(129,042)</u>
At 31 December 2015	<u>830,702</u>	<u>1,703,012</u>	<u>235,430</u>	<u>346,738</u>	<u>3,115,882</u>
NET BOOK VALUE					
At 31 December 2015	<u>1,759,579</u>	<u>106,776</u>	<u>65,397</u>	<u>38,605</u>	<u>1,970,357</u>
At 31 December 2014	<u>1,817,499</u>	<u>144,014</u>	<u>70,365</u>	<u>65,782</u>	<u>2,097,660</u>

Included in cost of land and buildings is freehold land of £240,000 (2014 - £240,000) which is not depreciated.

TERBERG MATEC UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015**

8. STOCKS

	2015	2014
	£	£
Work-in-progress	1,012,657	1,183,867
Parts	<u>1,522,487</u>	<u>2,134,500</u>
	<u><u>2,535,144</u></u>	<u><u>3,318,367</u></u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade debtors	6,343,719	5,021,278
Amounts owed by group undertakings	44,521	133,099
Deferred tax asset	69,461	68,893
Prepayments	<u>141,005</u>	<u>145,002</u>
	<u><u>6,598,706</u></u>	<u><u>5,368,272</u></u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts (see note 11)	-	1,249,916
Trade creditors	3,145,368	1,324,675
Corporation tax	334,984	185,546
Social security and other taxes	656,776	826,630
Amounts owed to group undertakings	1,806,826	1,755,425
Accrued expenses	<u>510,094</u>	<u>512,068</u>
	<u><u>6,454,048</u></u>	<u><u>5,854,260</u></u>

11. LOANS

An analysis of the maturity of loans is given below:

	2015	2014
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>1,249,916</u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2015	2014
	£	£
Within one year	266,532	282,804
Between one and five years	760,195	620,805
In more than five years	<u>-</u>	<u>119,511</u>
	<u><u>1,026,727</u></u>	<u><u>1,023,120</u></u>

TERBERG MATEC UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015**

13. SECURED DEBTS

The following secured debts are included within creditors:

	2015 £	2014 £
Bank overdraft	<u>-</u>	<u>1,249,916</u>

Any bank indebtedness with HSBC plc is secured by a debenture dated 7 August 2002 and a legal charge over the assets of the company. The company is party to a cross guarantee with the other companies in the Terberg Group in respect of the Van Lanschot Bank.

14. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Other provisions		
Product warranty	<u>320,123</u>	<u>344,658</u>
	Deferred tax £	Product warranty £
Balance at 1 January 2015	(68,893)	344,658
Provided during year	(568)	(24,535)
Change in warranty provision required	<u> </u>	<u> </u>
Balance at 31 December 2015	<u>(69,461)</u>	<u>320,123</u>

The deferred tax asset is shown within Debtors in note 9 above. Product warranty is retained within the Provision for liabilities.

The provision for product warranties relates to the expected warranty claims on products sold in the last 12 months. This expenditure is expected to be incurred in the next financial year.

15. CREDITORS FALLING DUE IN GREATER THAN ONE YEAR

	2015 £	2014 £
Accruals and deferred income	<u>700,203</u>	<u>838,896</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015 £	2014 £
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

TERBERG MATEC UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2015**

17. RESERVES

	Retained earnings £
At 1 January 2015	5,688,052
Profit for the year	2,154,781
Dividends	<u>(1,150,000)</u>
At 31 December 2015	<u>6,692,833</u>

18. ULTIMATE PARENT COMPANY

The ultimate parent company and controlling party is Terberg Group BV, which is incorporated in the Netherlands.

The largest group in which the results of the company are consolidated is that headed by Terberg Group BV. No other group financial statements include the results of the company.

Copies of the financial statements of Terberg Group BV are available from Newtonstraat 2, 3401 JA IJsselstein, Netherlands.

19. RELATED PARTY DISCLOSURES

The company is wholly owned by its parent company and its results are consolidated into the parent company's financial statements, which are publicly available. The directors have relied upon the exemptions conferred by Financial Reporting Standard Number 8 from disclosing transactions with its parent company.

20. FIRST YEAR ADOPTION

There are no reconciling adjustments upon the first year adoption of FRS 102.