

RINGSPANN (U.K.) LTD.

Report and Financial Statements

Year Ended

31 December 2016

Company Number 00979775



RINGSPANN (U.K.) LTD.

Company Information

Directors	F Maurer N H Hanke
Registered number	00979775
Registered office	3 Napier Road Bedford Bedfordshire MK41 0QS
Independent auditors	BDO LLP Mortlock House Station Road Histon Cambridge CB24 9NP

RINGSPANN (U.K.) LTD.

Contents

	Page
Statement of Financial Position	1
Statement of Changes in Equity	2
Notes to the Financial Statements	3 - 12

RINGSPANN (U.K.) LTD.
Registered number:00979775

Statement of Financial Position
As at 31 December 2016

	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	6		124,386		147,000
Current assets					
Stocks	7	249,266		318,443	
Debtors: amounts falling due within one year	8	425,761		486,807	
Cash at bank and in hand		771,056		806,271	
		<u>1,446,083</u>		<u>1,611,521</u>	
Creditors: amounts falling due within one year	9	(249,216)		(249,571)	
Net current assets			<u>1,196,867</u>		<u>1,361,950</u>
Total assets less current liabilities			<u>1,321,253</u>		<u>1,508,950</u>
Creditors: amounts falling due after more than one year	10		-		(6,083)
Provisions for liabilities					
Deferred tax	12		(1,109)		(7,404)
Net assets			<u>1,320,144</u>		<u>1,495,463</u>
Capital and reserves					
Called up share capital	13		10,000		10,000
Profit and loss account	14		1,310,144		1,485,463
Total equity			<u>1,320,144</u>		<u>1,495,463</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

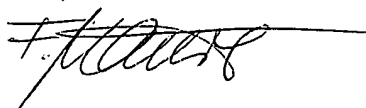
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

04.07.2017

F Maurer
Director



The notes on pages 3 to 12 form part of these financial statements.

RINGSPANN (U.K.) LTD.

Statement of Changes in Equity For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	10,000	1,485,463	1,495,463
Comprehensive income for the year			
Loss for the year	-	(75,319)	(75,319)
Total comprehensive income for the year	-	(75,319)	(75,319)
Dividends: Equity capital	-	(100,000)	(100,000)
Total transactions with owners	-	(100,000)	(100,000)
At 31 December 2016	10,000	1,310,144	1,320,144

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	10,000	1,416,087	1,426,087
Comprehensive income for the year			
Profit for the year	-	109,376	109,376
Total comprehensive income for the year	-	109,376	109,376
Dividends: Equity capital	-	(40,000)	(40,000)
Total transactions with owners	-	(40,000)	(40,000)
At 31 December 2015	10,000	1,485,463	1,495,463

The notes on pages 3 to 12 form part of these financial statements.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

1. General information

RINGSPANN (U.K.) LTD. is a company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK 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 18.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement 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; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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.

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 bases:

Freehold property	- 4% per annum
Plant and machinery	- 20% per annum
Motor vehicles	- 12.5% - 25% per annum
Fixtures and fittings	- 25% per annum

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 in the statement of comprehensive income.

2.4 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.

2.5 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.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.6 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.

2.7 Financial instruments

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instruments legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

2.8 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.

2.9 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 statement of comprehensive income 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 statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.10 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.12 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 payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income 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.

2.13 Interest income

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

2.14 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 statement of comprehensive income 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.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge 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.

2.16 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

- Obsolete stock provision

To determine the value of obsolete stock at year, management judgement is required. This is dependent on an assessment at year-end of the volume of activity of each stock item for the year and prior years.

Other key sources of estimation uncertainty

- Trade debtor provision

There is uncertainty around the long-overdue debtors, which could ultimately become bad debts. While applying prudence, management has individually assessed the recoverability of overdue debt on a customer by customer basis.

4. Employees

The average monthly number of employees, including directors, during the year was 12 (2015 - 10).

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

5. Exceptional items

During 2016, a fraud was perpetrated against the company by external parties. The expense of £34,474 relates to monies that were not able to be recovered. The company has taken steps to improve internal controls to mitigate against the repeat of such and incident.

6. Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2016	337,370	47,421	41,823	66,944	493,558
Disposals	-	-	(15,223)	-	(15,223)
At 31 December 2016	337,370	47,421	26,600	66,944	478,335
Depreciation					
At 1 January 2016	269,982	10,227	28,045	38,304	346,558
Charge for the year	273	5,638	8,236	8,465	22,612
Disposals	-	-	(15,221)	-	(15,221)
At 31 December 2016	270,255	15,865	21,060	46,769	353,949
Net book value					
At 31 December 2016	67,115	31,556	5,540	20,175	124,386
At 31 December 2015	67,388	37,194	13,778	28,640	147,000

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

	2016 £	2015 £
Other fixed assets	5,542	12,192

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

7. Stocks

	2016 £	2015 £
Raw materials and consumables	5	-
Work in progress (goods to be sold)	367	367
Finished goods and goods for resale	248,894	318,076
	<u>249,266</u>	<u>318,443</u>

Stock recognised in cost of sales during the year as an expense was £624,437 (2015 - £1,174,298).

Included in the amount shown above for stocks of raw materials and consumables are items valued at cost calculated on a first in, first out basis. There is no difference in the replacement cost of these items at 31 December 2016 and the amount at which they are included in the accounts.

8. Debtors

	2016 £	2015 £
Trade debtors	395,513	464,095
Other debtors	8,943	2,950
Prepayments and accrued income	8,440	19,762
Tax recoverable	12,865	-
	<u>425,761</u>	<u>486,807</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £1,663 (2015 - £2,993).

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	37,508	52,933
Amounts owed to group undertakings	109,254	47,045
Corporation tax	-	13,192
Other taxation and social security	68,046	93,785
Obligations under finance lease and hire purchase contracts	6,374	5,623
Other creditors	28,034	36,993
	<u>249,216</u>	<u>249,571</u>

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

10. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	-	6,083

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	6,374	5,623
1-2 years	-	6,083

12. Deferred taxation

	2016 £
At beginning of year	7,404
Released to profit or loss	(6,295)
At end of year	1,109

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	4,325	7,781
Other timing differences	(262)	(377)
Tax losses carried forward and other deductions	(2,954)	-
	1,109	7,404

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

13. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
10,000 Ordinary Shares shares of £1 each	<u>10,000</u>	<u>10,000</u>

14. Reserves

The company's capital and reserves are as follows:

Share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

15. Contingent liabilities

Barclays Bank Plc have provided a bond to H M Customs & Excise. The amount guaranteed is £Nil (2015 - £20,000).

16. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £19,977 (2015 - £24,101). Contributions totalling £1,457 (2015 - £1,361) were payable to the fund at the reporting date and are included in creditors.

17. Controlling party

The company is controlled by Ringspann GmbH, a company incorporated in Germany, which is the ultimate controlling party.

The parent company of the smallest and largest group of undertakings of which the company is a member and which prepares consolidated accounts is Ringspann GmbH. Consolidated accounts are available from the common register portal of the German federal states (www.handelsregister.de).

18. 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.

RINGSPANN (U.K.) LTD.

Notes to the Financial Statements For the Year Ended 31 December 2016

19. Auditors' Information

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's members on 6 July 2017. The auditor's report was signed by Gary Hanson as senior statutory auditor and was unqualified.