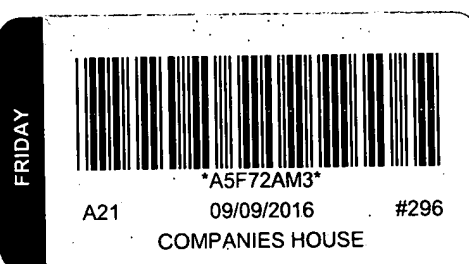


Company Registration No. 00995387 (England and Wales)

Presspart Manufacturing Limited

**Annual report and financial statements
for the year ended 31 December 2015**



Presspart Manufacturing Limited

Company information

Directors	Julian Hemy Dietmar Schmitz Peter Schmelzer Hans Neugebauer
Secretary	Dietmar Schmitz
Company number	00995387
Registered office	Whitebirk Industrial Estate Blackburn BB1 5RF
Auditors	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
Bankers	HSBC Bank plc 60 Church Street Blackburn BB1 5AS

Presspart Manufacturing Limited

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Presspart Manufacturing Limited

Strategic report

For the year ended 31 December 2015

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

Fair review of the business

Presspart Manufacturing Limited is a wholly owned subsidiary of Heitkamp & Thumann Group, a global Corporate Group based in Dusseldorf, Germany, founded more than 35 years ago.

The four business divisions of the Heitkamp & Thumann Group are world leaders in their respective fields: Presspart Manufacturing Limited operates within the Presspart division which manufactures precision components made of metal and plastic for the pharmaceutical industry and other industrial sectors.

Founded more than 45 years ago, Presspart Manufacturing Limited has become the world's leading manufacturer of deep-drawn aluminium and stainless steel cans for pressurized metered dose inhalers. The products are predominantly used for the respiratory drug delivery market and are designed and manufactured to meet the most demanding customer requirements and stringent pharmaceutical regulations and standards.

"H&T Excellence" introduced in 2013 ensures operational excellence in all value adding processes and forms the core of our lean management program. This ensures highest quality and economic efficiency setting the stage for being the leading global partner for the development and supply of world class precision formed metal components now and in future times.

Principal risks and uncertainties

Competitive global pressure, UK inflation rates and a strong pound sterling to euro exchange rate are a continuing risk for the company, which could result in it losing sales to its key competitors. The company manages this risk by providing high quality products to its customers, having fast response times in supplying products, underpinned by long to medium term contracts with customers.

The fluctuations in raw material market prices and scrap prices are a continuing high ranking risk to the business. Continued global trends such as volatile euro to sterling rates intensify this risk as the majority of raw material purchases come from continental european suppliers. The company continues to try to minimise this risk by entering into long term supplier contracts with partial price hedging.

Presspart Manufacturing Limited

Strategic report (continued)

For the year ended 31 December 2015

Key performance indicators

The financial statements for the company have been prepared under Financial Reporting Standard 102 ("FRS102") which has replaced the former UK accounting standards, and the comparative figures have been restated accordingly.

As shown in the company's income statement on page 9, total company sales have increased by 6%, this is mainly due to growth in aluminium pharmaceutical cans and higher sales from new innovative products.

Total gross operating margin has remained consistent year on year at 29%.

Average Working Capital KPI: actual 2015 12.2%, an improvement of 1.2% from 2014 and 3.3% better than 2015 target.

Trade debtors of Presspart Manufacturing Limited at 31 December 2015 were equivalent to 41 days (2014 - 55 days). Debtor days in 2014 were high due to late customer payments.

Inventory days of Presspart Manufacturing Limited at 31 December 2015 were 20 days (2014 - 27 days).

The cash balance of Presspart Manufacturing Limited at the yearend was £0.9850m – positive, (2014 - £0.060m negative), increase of £1.045m.

On behalf of the board



Dietmar Schmitz

Director

1 March 2016

Presspart Manufacturing Limited

Directors' report

For the year ended 31 December 2015

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

Principal activities

Presspart Manufacturing Limited is a wholly owned subsidiary of the Heitkamp & Thumann Group, a global Corporate Group based in Dusseldorf, Germany, founded more than 35 years ago.

Presspart Manufacturing Limited operates within the Presspart division of the Heitkamp & Thumann Group which manufactures precision components made of metal and plastic for the pharmaceutical industry and other industrial sectors.

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 1 to 3. These matters relate to dividends declared during the year and future developments of the business.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

David Biggs	(Resigned 31 December 2015)
Julian Hemy	
Graham Clark	(Resigned 31 December 2015)
Dietmar Schmitz	
Peter Schmelzer	
Hans Neugebauer	

Results and dividends

The results for the year are set out on page 9.

A dividend of £1,000,000 (2014 - £1,000,000) was paid during the year.

Financial instruments

Credit risk

Presspart Manufacturing Limited has a credit control policy where appropriate credit checks are made on potential customers and suppliers before any transactions occur. For existing customers, the company closely monitors their continued creditability via an external rating agency. A monthly reporting structure is established to make directors aware of any changes to credit risks.

Health, Safety and the Environment

Presspart Manufacturing Limited is engaged in the manufacture of deep drawn metal pressings for a range of different industries. We recognise our responsibility in supplying products to our customers whilst striving to provide quality excellence, and endeavouring to minimise the impact on the environment. In pursuit of environmental excellence, we operate an Environmental Management System in compliance with the ISO 14001:2004 standard. Through this system we establish and review objectives, targets and improvement programmes in line with our significant environmental aspects.

Significant investment continues to be made in Health, Safety and Environmental projects, where particular attention has been given to developing strategies for sustainability and in particular improving energy efficiency.

Future objectives include implementation of the OHSAS 18001 standard for Occupational Health and Safety Management.

Future developments

Presspart Manufacturing Limited remains dedicated to its core business in the Pharmaceutical and Industrial sector. In 2016 it will continue making significant progress with its Pharmaceutical and Industrial strategies.

In 2015 Presspart Manufacturing Limited commenced a major building project which incorporates a state of the art Inhalation Production Technology Centre and Quality Laboratory.

The existing office building will be fully replaced, allowing for future expansion of the business by increasing production space which will give opportunity to optimize production flow in accordance with our strategic growth plan. Phase one of the building project was completed in 2015 and the final phase will be completed during 2016.

Presspart continues to demonstrate its commitment to Innovation by launching its Inhalation Product Technology Centre (IPTC) based in Blackburn. Start-up commenced in 2013 and during 2015 further expansion was made to the research and laboratory facility. The main function of IPTC is to develop the strategic projects of Presspart and its customers. This includes extensive product and process development and regulatory support.

Auditors

Saffery Champness have expressed their willingness to continue in office.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Presspart Manufacturing Limited

Directors' report (continued)

For the year ended 31 December 2015

Employment Policies

Details of employees and related costs can be found in note 6 to the financial statements on page 23.

The workforce is one of the major success factors of the company which is why Presspart has launched a Health Management System for its employees - recently it has introduced a healthy eating campaign.

Presspart Manufacturing Limited is committed to ensuring equal opportunities for all current and potential members of the company. It is committed to the promotion of standards of personal conduct based on respect for and the dignity of individuals. It is the company's policy to provide a working environment free from discrimination. All employees of Presspart are expected to support and contribute to the maintenance of this policy.

Employees are also developed through a variety of training courses that supports the continuous optimisation of internal know-how within Presspart.

On behalf of the board



.....
Dietmar Schmitz

Director

1 March 2016
.....

Presspart Manufacturing Limited

Directors' responsibilities statement For the year ended 31 December 2015

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice. 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;
- 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.

Presspart Manufacturing Limited

Independent auditor's report

To the members of Presspart Manufacturing Limited

We have audited the financial statements of Presspart Manufacturing Limited for the year ended 31 December 2015 set out on pages 9 to 42. 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.

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 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 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 Director's Responsibilities Statement set out on page 6, 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 Annual 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 matters 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.

Presspart Manufacturing Limited

Independent auditor's report (continued)

To the members of Presspart Manufacturing 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.



Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness

11 March 2016

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Presspart Manufacturing Limited

Income statement

For the year ended 31 December 2015

		2015	2014
	Notes	£000	£000
Turnover	3	28,230	26,451
Cost of sales		(19,995)	(18,591)
Gross profit		8,235	7,860
Distribution costs		(2,381)	(2,393)
Administrative expenses		(2,455)	(1,950)
Operating profit	4	3,399	3,517
Interest receivable and similar income	8	1	2
Interest payable and similar charges	9	(336)	(294)
Profit before taxation		3,064	3,225
Taxation	10	(581)	(751)
Profit for the financial year		2,483	2,474

The income statement has been prepared on the basis that all operations are continuing operations.

Presspart Manufacturing Limited

**Statement of comprehensive income
For the year ended 31 December 2015**

	2015	2014
	£000	£000
Profit for the year	2,483	2,474
	<u> </u>	<u> </u>
Other comprehensive income		
Actuarial gain/(loss) on defined benefit pension schemes	592	(2,138)
Tax relating to other comprehensive income	(203)	403
	<u> </u>	<u> </u>
Other comprehensive income for the year	389	(1,735)
	<u> </u>	<u> </u>
Total comprehensive income for the year	2,872	739
	<u> </u>	<u> </u>

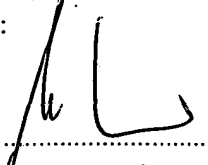
Presspart Manufacturing Limited

**Statement of financial position
As at 31 December 2015**

	Notes	£000	2015 £000	2014 £000
Fixed assets				
Intangible assets	12		625	553
Tangible assets	13		12,752	9,264
			<u>13,377</u>	<u>9,817</u>
Current assets				
Stocks	15	1,521		1,878
Debtors	16	3,906		4,525
Cash at bank and in hand		985		43
		<u>6,412</u>		<u>6,446</u>
Creditors: amounts falling due within one year	18	<u>(5,888)</u>		<u>(4,542)</u>
Net current assets			<u>524</u>	<u>1,904</u>
Total assets less current liabilities			<u>13,901</u>	<u>11,721</u>
Creditors: amounts falling due after more than one year	19		<u>(1,793)</u>	<u>(1,053)</u>
Provisions for liabilities	20		<u>(5,824)</u>	<u>(6,256)</u>
Net assets			<u><u>6,284</u></u>	<u><u>4,412</u></u>
Capital and reserves				
Called up share capital	23		25	25
Profit and loss reserves			<u>6,259</u>	<u>4,387</u>
Total equity			<u><u>6,284</u></u>	<u><u>4,412</u></u>

The financial statements were approved by the board of directors and authorised for issue on 1 March 2016 and are signed on its behalf by:


Dietmar Schmitz
Director


Hans Neugebauer
Director

Company Registration No. 00995387

Presspart Manufacturing Limited

**Statement of changes in equity
For the year ended 31 December 2015**

		Share capital	Profit and loss reserves	Total
	Notes	£000	£000	£000
Balance at 1 January 2014		25	4,648	4,673
Year ended 31 December 2014:				
Profit for the year		-	2,474	2,474
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	(2,138)	(2,138)
Tax relating to other comprehensive income		-	403	403
Total comprehensive income for the year		-	739	739
Dividends	11	-	(1,000)	(1,000)
Balance at 31 December 2014		25	4,387	4,412
Year ended 31 December 2015:				
Profit for the year		-	2,483	2,483
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	592	592
Tax relating to other comprehensive income		-	(203)	(203)
Total comprehensive income for the year		-	2,872	2,872
Dividends	11	-	(1,000)	(1,000)
Balance at 31 December 2015		25	6,259	6,284

Presspart Manufacturing Limited

Statement of cash flows

For the year ended 31 December 2015

	Notes	£000	2015 £000	£000	2014 £000
Cash flows from operating activities					
Cash generated from operations	29		6,408		3,781
Interest paid			(336)		(294)
Income taxes paid			(698)		(488)
Net cash inflow from operating activities			5,374		2,999
Investing activities					
Purchase of intangible assets		(205)		(53)	
Purchase of tangible fixed assets		(5,047)		(2,924)	
Proceeds on disposal of tangible fixed assets		-		14	
Interest received		1		2	
Net cash used in investing activities			(5,251)		(2,961)
Financing activities					
New bank loans		1,039		1,203	
Loan from group company		1,882		999	
Repayment of loan to group company		(999)		(1,614)	
Dividends paid		(1,000)		(1,000)	
Net cash generated from/(used in) financing activities			922		(412)
Net increase/(decrease) in cash and cash equivalents			1,045		(374)
Cash and cash equivalents at beginning of year			(60)		314
Cash and cash equivalents at end of year			985		(60)
Relating to:					
Bank balances and short term deposits			985		43
Bank overdrafts			-		(103)

Presspart Manufacturing Limited

Notes to the financial statements For the year ended 31 December 2015

1 Accounting policies

Company information

Presspart Manufacturing Limited is a limited company domiciled and incorporated in England and Wales. The registered office is Whitebirk Industrial Estate, Blackburn, BB1 5RF.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2015 are the first financial statements of Presspart Manufacturing Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 30.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Turnover is recognised on despatch as this is when the risks and rewards transfer to the customer. Tooling turnover is recognised when the final stage payment is approved by the customer.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Licences and Patents

5 - 10 years

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	10 - 40 years
Assets under construction	Not depreciated
Plant and machinery	3 - 20 years
Fixtures, fittings & equipment	3 - 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

1 Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Other financial liabilities, including debt instruments that do not meet the definition of a basic financial instrument, are measured at fair value through profit or loss.

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 finance income as appropriate, unless they are included in a hedging arrangement.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies (continued)

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For the defined benefit section the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other financial costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The defined benefit section is funded, with the assets held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Notes to the financial statements (continued)
For the year ended 31 December 2015

1 Accounting policies (continued)

1.16 Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the transaction date. Assets and liabilities expressed in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

1.17 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

1.18 Licenses

Licenses are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.19 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

3 Turnover

An analysis of the company's turnover is as follows:

	2015	2014
	£000	£000
Turnover		
Sale of goods	28,230	26,451
	<u> </u>	<u> </u>
Other significant revenue		
Interest income	1	2
	<u> </u>	<u> </u>

Turnover analysed by geographical market

	2015	2014
	£000	£000
United Kingdom	2,926	2,799
Rest of Europe	14,132	14,662
The Americas	3,393	2,597
Other	7,779	6,393
	<u> </u>	<u> </u>
	28,230	26,451
	<u> </u>	<u> </u>

4 Operating profit

	2015	2014
	£000	£000
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	51	25
Depreciation of owned tangible fixed assets	1,383	1,178
Loss on disposal of tangible fixed assets	177	109
Amortisation of intangible assets	133	138
Cost of stocks recognised as an expense	13,755	14,052
Operating lease charges	124	80
	<u> </u>	<u> </u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

5 Auditors' remuneration

	2015	2014
	£000	£000
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the company's financial statements	19	18
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	4	4
All other non-audit services	21	11
	<u> </u>	<u> </u>
	25	15
	<u> </u>	<u> </u>
For services in respect of associated pension schemes		
Audit-related assurance services	4	4
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2015	2014
	Number	Number
Total	120	116
Sales and distribution	12	13
Administration	12	12
	<u> </u>	<u> </u>
	144	141
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2015	2014
	£000	£000
Wages and salaries	4,847	4,579
Social security costs	407	394
Pension costs	451	350
	<u> </u>	<u> </u>
	5,705	5,323
	<u> </u>	<u> </u>

There were no redundancy payments during the year (2014: £nil).

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

7 Directors' remuneration

	2015	2014
	£000	£000
Remuneration for qualifying services	510	445
Company pension contributions to defined contribution schemes	28	28
	<u>538</u>	<u>473</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2014 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>233</u>	<u>185</u>
--------------------------------------	------------	------------

8 Interest receivable and similar income

	2015	2014
	£000	£000
Interest income		
Interest on bank deposits	1	-
Other interest income	-	2
	<u>1</u>	<u>2</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>1</u>	<u>-</u>
--	----------	----------

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

9 Interest payable and similar charges

	2015	2014
	£000	£000
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	36	41
Interest on other loans	28	6
	<u>64</u>	<u>47</u>
Other finance costs:		
Interest on the net defined benefit liability	272	247
	<u>336</u>	<u>294</u>

10 Taxation

	2015	2014
	£000	£000
Current tax		
UK corporation tax on profits for the current period	566	719
Adjustments in respect of prior periods	(43)	51
	<u>523</u>	<u>770</u>
Deferred tax		
Origination and reversal of timing differences	81	8
Adjustment in respect of prior periods	(23)	(27)
	<u>58</u>	<u>(19)</u>
Total deferred tax		
	<u>58</u>	<u>(19)</u>
Total tax charge	<u>581</u>	<u>751</u>

Notes to the financial statements (continued)
For the year ended 31 December 2015

10 Taxation (continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2015	2014
	£000	£000
Profit before taxation	3,064	3,225
Expected tax charge based on a corporation tax rate of 20.00% (2014 - 21.00%)	613	677
Tax effect of expenses that are not deductible in determining taxable profit	51	(2)
Tax effect of income not taxable in determining taxable profit	(20)	-
Adjustments in respect of prior years	(66)	51
Effect of change in corporation tax rate	3	16
Permanent capital allowances in excess of depreciation	-	(28)
Other non-reversing timing differences	-	1
Transition adjustments	-	36
Tax expense for the year	581	751

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2015	2014
	£000	£000
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	203	(403)

The standard rate of tax applied to reported profit on ordinary activities is 20% (2014 21%). The applicable tax rate has changed following substantive enactment of the Finance Act 2015. During the year beginning 1 January 2016 the net reversal of deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £37k. This is due to the reversal of accelerated capital allowances. There is no expiry date on timing differences, unused tax losses or tax credits.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

11 Dividends

	2015	2014
	£000	£000
Interim paid	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

12 Intangible fixed assets

	Licences and Patents
	£000
Cost	
At 1 January 2015	900
Additions - separately acquired	205
	<u>1,105</u>
At 31 December 2015	
Amortisation and impairment	
At 1 January 2015	347
Amortisation charged for the year	133
	<u>480</u>
At 31 December 2015	
Carrying amount	
At 31 December 2015	625
	<u>553</u>
At 31 December 2014	

Included within intangible fixed assets are patents with a total net book value of £220,000 and remaining useful lives of 1 - 5 years, licenses with a total net book value of £305,000 and remaining useful lives of 3 - 5 years and other with a total net book value of £100,000 and remaining useful lives of 3 - 5 years .

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

13 Tangible fixed assets

	Land and buildings Freehold	Assets under construction	Fixtures, fittings & equipment	Plant and machinery	Total
	£000	£000	£000	£000	£000
Cost					
At 1 January 2015	2,592	2,924	4,407	14,378	24,301
Additions	1,057	1,990	1,592	408	5,047
Disposals	(385)	-	(194)	(338)	(917)
Transfers from assets under construction	-	(2,453)	102	2,351	-
At 31 December 2015	3,264	2,461	5,907	16,799	28,431
Accumulated depreciation and impairment					
At 1 January 2015	1,085	-	3,382	10,569	15,036
Charge for the year	109	-	224	1,050	1,383
Eliminated on disposal	(246)	-	(161)	(333)	(740)
At 31 December 2015	948	-	3,445	11,286	15,679
Carrying amount					
At 31 December 2015	2,316	2,461	2,462	5,513	12,752
At 31 December 2014	1,507	2,925	1,024	3,808	9,264

Freehold land amounting to £400,000 (2014: £400,000) has not been depreciated.

14 Financial instruments

	2015 £000	2014 £000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	4,225	3,994
Carrying amount of financial liabilities		
Measured at amortised cost	7,285	5,036

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

15 Stocks

	2015	2014
	£000	£000
Raw materials and consumables	702	922
Finished goods and goods for resale	819	956
	<u>1,521</u>	<u>1,878</u>

16 Debtors

	2015	2014
	£000	£000
Amounts falling due within one year:		
Trade debtors	3,041	3,847
Amount due from parent undertaking	-	31
Other debtors	582	343
Prepayments and accrued income	283	304
	<u>3,906</u>	<u>4,525</u>

Trade debtors disclosed above are measured at amortised cost.

17 Loans and overdrafts

	2015	2014
	£000	£000
Bank overdrafts	-	103
Bank loans	2,242	1,203
	<u>2,242</u>	<u>1,306</u>
Payable within one year	449	253
Payable after one year	1,793	1,053

The long-term loans are secured by a way of cross guarantee from Heitkamp and Thumann KG.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

18 Creditors: amounts falling due within one year

	Notes	2015 £000	2014 £000
Loans and overdrafts	17	449	253
Trade creditors		1,768	1,488
Amount due to parent undertaking		3	-
Amounts due to fellow group undertakings		1,882	999
Corporation tax payable		239	414
Other taxation and social security		157	145
Accruals and deferred income		1,390	1,243
		<u>5,888</u>	<u>4,542</u>

19 Creditors: amounts falling due after more than one year

	Notes	2015 £000	2014 £000
Loans and overdrafts	17	<u>1,793</u>	<u>1,053</u>

20 Provisions for liabilities

	Notes	2015 £000	2014 £000
Deferred tax liabilities	21	581	522
Retirement benefit obligations	22	<u>5,243</u>	<u>5,734</u>
		<u>5,824</u>	<u>6,256</u>

Notes to the financial statements (continued)
For the year ended 31 December 2015

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2015 £000	Liabilities 2014 £000
Balances:		
Accelerated capital allowances	593	534
Other timing differences	(12)	(12)
	<u>581</u>	<u>522</u>
Movements in the year:		2015 £000
Liability at 1 January 2015		522
Charge to profit or loss		59
		<u>581</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so.

22 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit and loss in respect of defined contribution schemes was £451,000 (2014: £350,000)

Defined benefit schemes

The group operates a funded defined benefit scheme arrangement. The assets are held independently of the group in trustee administered funds. The defined benefit section was frozen on 1 October 2001 and subsequent contributions were made to a defined contribution scheme, the assets of which are held independently of the group in trustee administered funds.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 5 April 2014 using a market based approach. That valuation has been updated to 31 December 2015 by the independent actuaries.

Notes to the financial statements (continued)
For the year ended 31 December 2015

22 Retirement benefit schemes (continued)

Key assumptions

	2015	2014
	%	%
Discount rate	4.1	3.9
Expected rate of increase of pensions in payment	2.6	2.6
	<u> </u>	<u> </u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2015	2014
	Years	Years
Retiring today		
- Males	22.2	21.2
- Females	24.5	23.3
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	21.0	22.4
- Females	23.1	24.7
	<u> </u>	<u> </u>

Amounts recognised in the income statement:

	2015	2014
	£000	£000
Net interest on defined benefit liability/(asset)	272	247
Other costs and income	78	69
	<u> </u>	<u> </u>
Total costs	350	316
	<u> </u>	<u> </u>

Of the total expenses for the year £374,000 is included in cost of sales and £272,000 in finance costs.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

22 Retirement benefit schemes (continued)

Amounts taken to other comprehensive income:

	2015	2014
	£000	£000
Actual return on scheme assets	(223)	(996)
Less: calculated interest element	586	719
	<u>363</u>	<u>(277)</u>
Return on scheme assets excluding interest income		
Actuarial changes related to obligations	(955)	2,415
	<u><u>(955)</u></u>	<u><u>2,415</u></u>

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	2015	2014
	£000	£000
Present value of defined benefit obligations	21,571	22,310
Fair value of plan assets	(15,098)	(15,143)
	<u>6,473</u>	<u>7,167</u>
Deficit in scheme		
Deferred taxation balance relating to pension schemes	(1,230)	(1,433)
	<u>(1,230)</u>	<u>(1,433)</u>
Total liability recognised	<u><u>5,243</u></u>	<u><u>5,734</u></u>

Movements in the present value of defined benefit obligations:

	2015
	£000
Liabilities at 1 January 2015	22,310
Benefits paid	(642)
Actuarial gains and losses	(955)
Interest cost	858
	<u>858</u>
At 31 December 2015	<u><u>21,571</u></u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

22 Retirement benefit schemes (continued)

The defined benefit obligations arise from plans funded as follows:

	2015
	£000
Wholly unfunded obligations	-
Wholly or partly funded obligations	(21,571)
	<u>21,571</u>

Movements in the fair value of plan assets:

	2015
	£000
Fair value of assets at 1 January 2015	15,143
Interest income	586
Return on plan assets (excluding amounts included in net interest)	(363)
Benefits paid	(642)
Contributions by the employer	452
Other	(78)
	<u>15,098</u>
At 31 December 2015	<u>15,098</u>

The actual return on plan assets was £363,000 (2014: £277,000).

The fair value of plan assets at the reporting period end was as follows:

	2015	2014
	£000	£000
Equity instruments	6,039	7,723
Corporate bonds	5,586	1,817
Government bonds	2,718	4,240
Cash	151	151
Other assets (property and hedge funds)	604	1,212
	<u>15,098</u>	<u>15,143</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

23 Share capital

	2015	2014
	£000	£000
Ordinary share capital		
Authorised		
25,000 Ordinary shares of £1 each	25	25
	<u> </u>	<u> </u>
Issued and fully paid		
25,000 Ordinary shares of £1 each	25	25
	<u> </u>	<u> </u>

The company has one class of ordinary shares which carry no right to fixed income.

24 Financial commitments, guarantees and contingent liabilities

A contingent liability exists in that the Trustees of the Presspart Manufacturing Retirement Benefit Scheme have the right to request a one-off payment into the scheme. The amount of any claim is not yet determined, however the directors estimate that a claim, if made, would not be more than £173,000.

25 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2015	2014
	£000	£000
Within one year	122	65
Between two and five years	192	86
	<u> </u>	<u> </u>
	314	151
	<u> </u>	<u> </u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

26 Capital commitments

	2015	2014
	£000	£000
At 31 December 2015 the company had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	<u>2,491</u>	<u>982</u>

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2015	2014
	£000	£000
Aggregate compensation	<u>538</u>	<u>473</u>

No guarantees have been given or received.

Presspart Manufacturing Limited

Notes to the financial statements (continued) For the year ended 31 December 2015

27 Related party transactions (continued)

The company undertakes transactions with a number of companies in the Heitkamp and Thumann Group during the normal course of business.

During the year recharges of £461,325 (2014 - £461,723) were made by Heitkamp and Thumann GmbH and Co. KG to Presspart Manufacturing Limited. During the year, recharges were also made from Presspart Manufacturing Limited to Heitkamp and Thumann GmbH and Co. KG of £244,824 (2014 - £310,005). At the year end £1,881,623 (2014 - £31,273) was due from Heitkamp and Thumann GmbH and Co. KG

During the year a loan of £1,874,780 (2014 - £995,160) was made by Heitkamp and Thumann Finance BV (which has now been assigned to Heitkamp and Thumann GmbH and Co. KG) to Presspart Manufacturing Limited, which was outstanding at the year end. Interest of £6,843 (2014 - £4,152) (at 3.137%) was charged on this loan during the year and was outstanding at the year end. Recharges of £885 (2014 - £817) were made from Heitkamp and Thumann Finance BV of which £nil (2014 - £342) is outstanding at the year end. Interest of £28,935 was also paid to Heitkamp and Thumann Finance BV in respect of the company's cashpool balance.

During the year recharges of £100 (2014 - £1,378) were made by H&T Marsberg GmbH & Co. KG to Presspart Manufacturing Limited. During the year there was also fixed asset purchases of £25,749 (2014 - £nil) from H&T Marsberg GmbH & Co. KG.

During the year recharges of £27,587 (2014 - £14,072) were made by H&T Tool Design GmbH & Co. KG to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £38,883 (2014 - £69,599) of capital items from the company. During the year, tooling sales of £31,570 (2014 - £nil) were made to H&T Tool Design GmbH & Co. KG. At the year end £2,093 (2014 - £nil) was outstanding at the year end due to H&T Tool Design GmbH & Co. KG. Presspart Manufacturing Limited recharged £nil (2014 - £173) to H&T Tool Design GmbH & Co. KG during the year.

During the year Presspart Manufacturing Limited made recharges of £798,916 (2014 - £795,637) to Presspart GmbH & Co. KG, and recharges of £728,043 (2014 - £503,746) were made by Presspart GmbH & Co. KG to Presspart Manufacturing Limited. Presspart Manufacturing Limited purchased £78,137 (2014 - £7,712) of capital items from Presspart GmbH & Co. KG. At the year end Presspart GmbH & Co. KG owed £9,672 (2014 - £nil) to Presspart Manufacturing Limited for global charges.

During the year recharges of £255,852 (2014 - £264,585) were made by H&T Waterbury to Presspart Manufacturing Limited. During the year, recharges were also made from Presspart Manufacturing Limited to H&T Waterbury of £2,575 (2014 - £336).

During the year Presspart Manufacturing Limited made recharges of £599,127 (2014 - £490,677) to Presspart Manufacturing S.A and Presspart Manufacturing S.A made recharges of £63,178 (2014 - £8,145) to Presspart Manufacturing Limited. At the year end Presspart Manufacturing S.A owed £6,729 (2014 - £nil) for global charges.

Presspart Manufacturing Limited

Notes to the financial statements (continued)

For the year ended 31 December 2015

27 Related party transactions (continued)

During the year Dongguan Heitkamp and Thumann Metal Products Limited recharged expenses of £95,134 (2014 - £77,128) to Presspart Manufacturing Limited.

During the year recharges of £2,558 (2014 - £nil) were made by Presspart Manufacturing Limited to Westfalia Presstechnik GmbH & Co. KG.

During the year Presspart Manufacturing Limited recharged £nil (2014 - £315) to Westfalia-Metallschlauchtechnik GmbH & Co. KG.

During the year recharges of £62,198 (2014 - £37,053) were made by Westfalia Metal Components India Pte. Ltd to Presspart Manufacturing Limited and Presspart Manufacturing Limited purchased £nil (2014 - £710) of capital items from the company.

During the year Presspart Manufacturing Limited recharged £nil (2014 - £426) to H&T Produktions Technologie GmbH.

During the year recharges were made to Heitkamp and Thumann Pte Ltd of £nil (2014 - £1,223).

During the year recharges were made by Presspart Manufacturing Limited to Westfalia Metal s.r.o of £nil (2014 - £346) and to Doby Cleats Limited of £3,360 (2014 - £3,360).

During the year recharges of £113,245 (2014 - £nil) were made to H&T Nevada LLC. At the year end H&T Nevada LLC owed £107 (2014 - £nil) for global charges.

During the year recharges of £13,159 (2014 - £nil) were made to Doby Verrolec Dubai.

28 Controlling party

The ultimate parent company is Heitkamp and Thumann KG, a company based in Germany. This is also the ultimate controlling party of the company.

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

29	Cash generated from operations	2015	2014
		£000	£000
	Profit for the year	2,483	2,474
	Adjustments for:		
	Income tax expense recognised in profit or loss	581	751
	Finance costs recognised in profit or loss	336	294
	Investment income recognised in profit or loss	(1)	(2)
	Loss on disposal of tangible fixed assets	177	109
	Amortisation and impairment of intangible assets	133	138
	Depreciation and impairment of tangible fixed assets	1,383	1,178
	Pension scheme non-cash movement	(102)	(123)
	Movements in working capital:		
	Decrease in stocks	357	1
	Decrease/(increase) in debtors	619	(1,609)
	Increase in creditors	442	570
	Cash generated from operations	6,408	3,781

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

30 Reconciliations on adoption of FRS 102

Reconciliation of equity

	At 1 January 2014			At 31 December 2014		
	Previous UK	Effect of	FRS 102	Previous UK	Effect of	FRS 102
	GAAP	transition		GAAP	transition	
Notes	£000	£000	£000	£000	£000	£000
Fixed assets						
Other intangibles	504	133	637	470	83	553
Tangible assets	7,775	(133)	7,642	9,347	(83)	9,264
	<u>8,279</u>	<u>-</u>	<u>8,279</u>	<u>9,817</u>	<u>-</u>	<u>9,817</u>
Current assets						
Stocks	1,879	-	1,879	1,878	-	1,878
Debtors	2,916	-	2,916	4,525	-	4,525
Bank and cash	314	-	314	43	-	43
	<u>5,109</u>	<u>-</u>	<u>5,109</u>	<u>6,446</u>	<u>-</u>	<u>6,446</u>
Creditors due within one year						
Loans and overdrafts	-	-	-	253	-	253
Taxation	257	-	257	559	-	559
Other creditors	3,794	-	3,794	3,730	-	3,730
	<u>4,051</u>	<u>-</u>	<u>4,051</u>	<u>4,542</u>	<u>-</u>	<u>4,542</u>
Net current assets	<u>1,058</u>	<u>-</u>	<u>1,058</u>	<u>1,904</u>	<u>-</u>	<u>1,904</u>
Total assets less current liabilities	<u>9,337</u>	<u>-</u>	<u>9,337</u>	<u>11,721</u>	<u>-</u>	<u>11,721</u>
Creditors due after one year						
Loans and overdrafts	-	-	-	1,053	-	1,053

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

30 Reconciliations on adoption of FRS 102

		At 1 January 2014			At 31 December 2014		
		Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
	Notes	£000	£000	£000	£000	£000	£000
Provisions for liabilities							
Deferred tax		542	-	542	522	-	522
Pension obligations		4,122	-	4,122	5,734	-	5,734
		<u>4,664</u>	<u>-</u>	<u>4,664</u>	<u>6,256</u>	<u>-</u>	<u>6,256</u>
Net assets		<u>4,673</u>	<u>-</u>	<u>4,673</u>	<u>4,412</u>	<u>-</u>	<u>4,412</u>
Capital and reserves							
Share capital		25	-	25	25	-	25
Profit and loss		4,648	-	4,648	4,387	-	4,387
Total equity		<u>4,673</u>	<u>-</u>	<u>4,673</u>	<u>4,412</u>	<u>-</u>	<u>4,412</u>

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

30 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit or loss for the year

	Notes	Period ended 31 December 2014		
		Previous UK GAAP £000	Effect of transition £000	FRS 102 £000
Turnover		26,451	-	26,451
Cost of sales		(18,591)	-	(18,591)
Gross profit		7,860	-	7,860
Distribution costs		(2,393)	-	(2,393)
Administrative expenses		(1,950)	-	(1,950)
Operating profit		3,517	-	3,517
Interest receivable and similar income		2	-	2
Interest payable and similar charges		(123)	(171)	(294)
Profit before taxation		3,396	(171)	3,225
Taxation		(751)	-	(751)
Profit for the financial period		2,645	(171)	2,474

Reconciliation of equity

	Notes	At 1 Jan 2014 £000	At 31 Dec 2014 £000
Equity as reported under previous UK GAAP and under FRS 102		4,673	4,412

Presspart Manufacturing Limited

Notes to the financial statements (continued)
For the year ended 31 December 2015

30 Reconciliations on adoption of FRS 102 (continued)

Reconciliation of profit or loss

	Notes	2014 £000
Profit or loss as reported under previous UK GAAP		2,645
Pension scheme adjustment		(171)
Profit or loss reported under FRS 102		<u>2,474</u>

Notes to reconciliations on adoption of FRS 102

Pension scheme adjustment

The defined benefit adjustment has been represented in accordance with FRS 102. The value of the liability remained unchanged to that reported under previous UK GAAP, however the 're-measurement adjustments' of £171,000 are now included within other comprehensive income rather than profit and loss.

Intangible assets

Fixed assets with a net book value of £133,000 at 1 January 2014 were transferred from tangible to intangible assets to more accurately reflect the description of these classes of assets included within FRS 102.