

ANTHONY BEST DYNAMICS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2013

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ANTHONY BEST DYNAMICS LIMITED

COMPANY INFORMATION

DIRECTORS

A Best
N Best
A G Middleton
T J Rogers (appointed 01/10/2012)
A W Rumble
S J Neads
M J Hubbard
R A L Hart (appointed 15/05/2013)
C P Martin (appointed 24/07/2013)

COMPANY SECRETARY R A L Hart

COMPANY NUMBER 01658222

REGISTERED OFFICE Holt Road
Bradford on Avon
Wiltshire
BA15 1AJ

AUDITOR Crowe Clark Whitehill LLP
Chartered Accountants
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

ANTHONY BEST DYNAMICS LIMITED

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ANTHONY BEST DYNAMICS LIMITED

DIRECTORS' REPORT for the year ended 31 August 2013

The directors present their report and the financial statements for the year ended 31 August 2013

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' 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 (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 judgments 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.

PRINCIPAL ACTIVITIES & BUSINESS REVIEW

The company continues to operate in the specialised area of design and manufacture of test equipment for vehicle suspension, steering, noise and vibration. We also offer a range of services which include analysis, design, prototype manufacture, test and development.

From the perspective of the company, the principal risks and uncertainties review, financial risk management and other related matters are undertaken at the AB Dynamics plc group (the "Group"). On this basis, the principal risks and uncertainties as well as key performance indicators and the business review are undertaken and disclosed in the Group financial statements.

RESULTS

The profit for the year, after taxation, amounted to £1,835,360 (2012 - £1,380,613)

ANTHONY BEST DYNAMICS LIMITED

DIRECTORS' REPORT
for the year ended 31 August 2013

DIRECTORS

The directors who served during the year were

A Best
N Best
A G Middleton
T J Rogers (appointed 01/10/2012)
A W Rumble
S J Neads
M J Hubbard
R A L Hart (appointed 15/05/2013)
C P Martin (appointed 24/07/2013)

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Since 5 December 2006 a qualifying third party indemnity provision has been in force for the benefit of all directors of the company

PROVISION OF INFORMATION TO AUDITOR

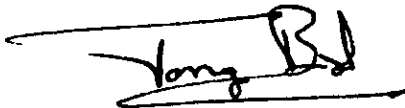
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

AUDITOR

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 6 November 2013 and signed on its behalf



A Best
Director

ANTHONY BEST DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANTHONY BEST DYNAMICS LIMITED

We have audited the financial statements of Anthony Best Dynamics Limited for the year ended 31 August 2013, set out on pages 5 to 16. 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).

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 AUDITOR

As explained more fully in the Directors' responsibilities statement, 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 Directors' 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 August 2013 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ANTHONY BEST DYNAMICS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANTHONY BEST DYNAMICS 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



Leo Malkin (Senior Statutory Auditor)
for and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

6 November 2013

ANTHONY BEST DYNAMICS LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 August 2013

		2013	2012
	Note	£	£
TURNOVER	1	12,171,473	8,910,839
Cost of sales		<u>(9,048,895)</u>	<u>(6,445,056)</u>
GROSS PROFIT		3,122,578	2,465,783
Administrative expenses		<u>(851,617)</u>	<u>(666,616)</u>
OPERATING PROFIT	2	2,270,961	1,799,167
Interest receivable	6	<u>17,123</u>	<u>15,540</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,288,084	1,814,707
Tax on profit on ordinary activities	7	<u>(452,724)</u>	<u>(434,094)</u>
PROFIT FOR THE FINANCIAL YEAR	14	<u>1,835,360</u>	<u>1,380,613</u>

All amounts relate to continuing operations

There were no recognised gains or losses for 2013 or 2012 other than those included in the Profit and loss account

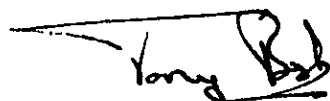
The notes on pages 7 to 16 form part of these financial statements

ANTHONY BEST DYNAMICS LIMITED
Registered number 01658222

BALANCE SHEET
as at 31 August 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	8		1,012,109		428,838
CURRENT ASSETS					
Stocks	9	1,486,390		1,475,105	
Debtors	10	3,130,434		2,524,663	
Cash at bank		<u>5,990,176</u>		<u>2,481,476</u>	
		10,607,000		6,481,244	
CREDITORS: amounts falling due within one year	11	<u>(5,309,239)</u>		<u>(2,201,222)</u>	
NET CURRENT ASSETS			5,297,761		4,280,022
TOTAL ASSETS LESS CURRENT LIABILITIES			6,309,870		4,708,860
PROVISIONS FOR LIABILITIES					
Deferred tax	12		<u>(41,923)</u>		<u>(60,386)</u>
NET ASSETS			<u>6,267,947</u>		<u>4,648,474</u>
CAPITAL AND RESERVES					
Share based payment reserve	14		18,613		-
Called up share capital	13		134,000		134,000
Share premium account	14		43,000		43,000
Capital redemption reserve	14		62,500		62,500
Profit and loss account	14		<u>6,009,834</u>		<u>4,408,974</u>
SHAREHOLDERS' FUNDS	15		<u>6,267,947</u>		<u>4,648,474</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6 November 2013



A Best
Director

The notes on pages 7 to 16 form part of these financial statements

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2013

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 GOING CONCERN

The company has cash resources and has no requirement for external funding. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

1.3 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	10% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	10% straight line
Computer equipment	-	25% straight line
Bought out software	-	10-20% straight line
In house software	-	33 3% straight line
General equipment	-	10% straight line
Proprietorial equipment	-	20% straight line
Test equipment	-	10-20% straight line
Buildings	-	2% straight line

1.6 STOCKS AND WORK IN PROGRESS

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

ANTHONY BEST DYNAMICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013**

1 ACCOUNTING POLICIES (continued)

1.7 LONG-TERM CONTRACTS

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Amounts recoverable on contracts, included within debtors, represents the amount by which recorded turnover is in excess of payments on account.

1.8 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.9 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.10 RESEARCH AND DEVELOPMENT

Research and development expenditure is written off in the year in which it is incurred.

1.11 DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITY

The company uses derivative financial instruments to hedge its exposure to fluctuations in foreign exchange rates. The company has not adopted FRS 26 and therefore no fair value measurements are included in the financial statements. Gains and losses on foreign currency hedges are recognised in the profit and loss account on maturity of the underlying transaction. Gains or losses arising on hedging instruments which are cancelled due to the termination of underlying exposure are taken to the profit and loss account immediately.

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

1. ACCOUNTING POLICIES (continued)

1.12 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.13 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	92,127	78,445
Operating lease rentals		
- other operating leases	38,000	38,000
Difference on foreign exchange	(80,823)	(41,056)
Pension costs	87,070	85,355

3. AUDITORS' REMUNERATION

	2013 £	2012 £
Fees payable to the company's auditor in respect of		
Auditor's remuneration – audit fees	15,000	15,000
Auditor's remuneration – non audit services	7,300	4,179

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

4 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	2,527,714	1,915,262
Social security costs	269,431	190,988
Pension costs	87,070	85,355
	<u>2,884,215</u>	<u>2,191,605</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No.	2012 No.
Directors & Commercial	7	6
Engineers & Technicians	35	29
Administration	5	4
	<u>47</u>	<u>39</u>

5. DIRECTORS' REMUNERATION

	2013 £	2012 £
Emoluments	<u>591,340</u>	<u>397,468</u>
Company pension contributions to defined contribution pension schemes	<u>16,280</u>	<u>9,700</u>

During the year retirement benefits were accruing to 5 directors (2012 - 3) in respect of defined contribution pension schemes

The highest paid director received remuneration of £150,390(2012 - £100,292)

6. INTEREST RECEIVABLE

	2013 £	2012 £
Other interest receivable	<u>17,123</u>	<u>15,540</u>

ANTHONY BEST DYNAMICS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013**

7. TAXATION

	2013 £	2012 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the year	471,200	430,000
Adjustments in respect of prior periods	(13)	-
TOTAL CURRENT TAX	<u>471,187</u>	<u>430,000</u>
DEFERRED TAX		
Origination and reversal of timing differences	<u>(18,463)</u>	<u>4,094</u>
TOTAL DEFERRED TAX (see note 12)	<u>(18,463)</u>	<u>4,094</u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	<u><u>452,724</u></u>	<u><u>434,094</u></u>

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2012 – the same as) the standard rate of corporation tax in the UK of 23 58% (2012 – 25 17%) as set out below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>2,288,084</u>	<u>1,814,707</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23 58% (2012 - 25 17%)	539,530	456,762
EFFECTS OF:		
Expenses not deductible for tax purposes	841	9,630
Capital allowances for year in excess of depreciation	(6,970)	(8,836)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(62,201)	(27,556)
Adjustments to tax charge in respect of prior periods	(13)	-
CURRENT TAX CHARGE FOR THE YEAR (see note above)	<u><u>471,187</u></u>	<u><u>430,000</u></u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

8 TANGIBLE FIXED ASSETS

	Test Equipment £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Land & Buildings £	Total £
COST							
At 1 September 2012	559,877	218,709	45,605	439,515	565,354	36,864	1,865,924
Additions	18,433	1,580	20,502	69,146	16,344	552,456	678,461
Disposals	-	-	-	(11,095)	-	-	(11,095)
At 31 August 2013	578,310	220,289	66,107	497,566	581,698	589,320	2,533,290

DEPRECIATION

At 1 September 2012	441,113	129,733	15,168	304,890	546,182	-	1,437,086
Charge for the year	20,150	17,601	9,032	38,122	7,222	-	92,127
On disposals	-	-	-	(8,032)	-	-	(8,032)
At 31 August 2013	461,263	147,334	24,200	334,980	553,404	-	1,521,181

NET BOOK VALUE

At 31 August 2013	<u>117,047</u>	<u>72,955</u>	<u>41,907</u>	<u>162,586</u>	<u>28,294</u>	<u>589,320</u>	<u>1,012,109</u>
At 31 August 2012	<u>118,764</u>	<u>88,976</u>	<u>30,437</u>	<u>134,625</u>	<u>19,172</u>	<u>36,864</u>	<u>428,838</u>

9. STOCKS

	2013 £	2012 £
Stock	1,197,608	856,357
Work in progress	288,782	618,748
	<u>1,486,390</u>	<u>1,475,105</u>

10. DEBTORS

	2013 £	2012 £
Trade debtors	1,132,625	1,353,301
Other debtors	164,988	143,681
Prepayments and accrued income	96,223	40,691
Amounts recoverable on long term contracts	1,736,598	986,990
	<u>3,130,434</u>	<u>2,524,663</u>

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

**11. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2013 £	2012 £
Payments received on account	1,139,292	420,486
Trade creditors	795,229	625,078
Corporation tax	198,318	430,000
Social security and other taxes	66,436	50,343
Other creditors	1,157,136	675,315
Intercompany creditors	1,952,828	-
	<u>5,309,239</u>	<u>2,201,222</u>

12 DEFERRED TAXATION

	2013 £	2012 £
At 1 September 2012	60,386	56,292
(Recovery)/charge for year	(18,463)	4,094
	<u>41,923</u>	<u>60,386</u>
At 31 August 2013		

The provision for deferred taxation is made up as follows

	2013 £	2012 £
Accelerated capital allowances	<u>41,923</u>	<u>60,386</u>

13 SHARE CAPITAL

	2013 £	2012 £
ALLOTTED, CALLED UP AND FULLY PAID		
134,000 Ordinary shares of £1 each	<u>134,000</u>	<u>134,000</u>

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2013

14. RESERVES

	Share Based payment reserve £	Share premium account £	Capital redemption reserve £	Profit and loss account £
At 1 September 2012	-	43,000	62,500	4,408,974
Profit for the year				1,835,360
Dividends Equity capital				(234,500)
Share based payments	<u>18,613</u>	-	-	-
At 31 August 2013	<u>18,613</u>	<u>43,000</u>	<u>62,500</u>	<u>6,009,834</u>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	4,648,474	3,468,861
Profit for the year	1,835,360	1,380,613
Dividends (Note 17)	(234,500)	(201,000)
Share based payment reserve	<u>18,613</u>	-
Closing shareholders' funds	<u>6,267,947</u>	<u>4,648,474</u>

16. SHARE OPTIONS

The share option scheme, which was adopted by the company during the year, was established to reward and incentivise the executive management team and staff for delivering share price growth. The share option scheme is administered by the Remuneration Committee of the parent company, AB Dynamics plc.

The company granted 13,026 share options to Directors and employees on 1 February 2013 with an exercise price of £12.52 each. Following the acquisition by AB Dynamics plc the share options were converted into 1,302,600 share options for AB Dynamics plc with an exercise price of 12.52p. The weighted fair value of the options granted was 12.52p share. A charge of £18,613 (2012: £nil) has been charged to the profit and loss for the year relating to these options.

These fair values were calculated using the Black Scholes option pricing model. The inputs into the model were as follows:

Stock price	12.52p
Exercise price	12.52p
Interest rate	1%
Volatility	30%
Time to maturity	10 years

The expected volatility was determined with reference to similar entities trading on AIM.

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

16 SHARE OPTIONS (CONTINUED)

Details of the share options outstanding in AB Dynamics plc at the year end are as follows

	Number 31 August 2013	WAEP (pence) 31 August 2013	Number 31 August 2012	WAEP (pence) 31 August 2012
Outstanding as at 1 September	-	-	-	-
Granted during the year	1,302,600	12 52	-	-
Expired during the year	-	-	-	-
Exercised during the year	-	-	-	-
Options outstanding at 31 August	<u>1,302,600</u>	<u>12 52</u>	<u>-</u>	<u>-</u>
Exercisable at 31 August	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The weighted average remaining contractual life of the options outstanding at the statement of financial position date is 9.5 years

17 DIVIDENDS

	2013 £	2012 £
Dividends paid on equity capital	<u>234,500</u>	<u>201,000</u>

18. DERIVATIVE FINANCIAL INSTRUMENTS

The company is mainly exposed to US Dollar and Euro currency risks which arise from monetary items denominated in foreign currencies

The company policy is to hedge a portion of foreign exchange risk associated with highly probable forecast transactions and monetary items denominated in foreign currencies, by the use of currency forward contracts

At 31 August 2013, the fair value of the forward contracts was £Nil (2012 - £44,821)

The company does not apply FRS 26 and therefore no fair value gains or losses are recognised in the profit and loss account

ANTHONY BEST DYNAMICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2013

19 OPERATING LEASE COMMITMENTS

At 31 August 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2013	2012
	£	£
EXPIRY DATE:		
Within 1 year	-	38,000
Between 2 and 5 years	<u>38,000</u>	=

20 RELATED PARTY TRANSACTIONS

The company rents its premises from the Best Middleton Trust, which is considered to be a related party by virtue of A Best being a trustee and beneficiary thereof. Rental payments for the year amounted to £38,000 (2012 - £38,000) and no amounts were due to or from the trust at the year end.

As a 100% subsidiary of AB Dynamics plc, the Company is exempt from disclosing transactions with entities that are part of the group, in accordance with the requirements of Financial Reporting Standard 8.

During the year, the directors received dividends totalling £234,500 (2012 - £201,000).

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent company is AB Dynamics plc, a company registered in England and Wales. A copy of the consolidated financial statements are available from Companies House, Cardiff.

22. TURNOVER

The whole of the turnover is attributable to the principal activities of the company.

A geographical analysis of turnover is as follows:

	2013	2012
	£	£
United Kingdom	2,206,917	690,907
Rest of European Union	3,364,214	2,802,019
Rest of world	<u>6,600,342</u>	<u>5,417,913</u>
	<u>12,171,473</u>	<u>8,910,839</u>

ANTHONY BEST DYNAMICS LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
for the year ended 31 August 2013

	Page	2013 £	2012 £
Turnover	18	12,171,473	8,910,839
Cost of sales	18	(9,048,895)	(6,445,056)
		<hr/>	<hr/>
Gross profit		3,122,578	2,465,783
Less: Overheads			
Administration expenses	19	(851,617)	(666,616)
		<hr/>	<hr/>
Operating profit		2,270,961	1,799,167
Interest receivable	19	17,123	15,540
		<hr/>	<hr/>
Profit for the year		<u>2,288,084</u>	<u>1,814,707</u>

ANTHONY BEST DYNAMICS LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
for the year ended 31 August 2013

	2013 £	2012 £
Turnover		
Sales - UK	2,206,917	690,907
Sales - Europe	3,364,214	2,802,019
Sales - Rest of world	6,600,342	5,417,913
	<u>12,171,473</u>	<u>8,910,839</u>

	2013 £	2012 £
Cost of sales		
Purchase of hardware/software	3,472,446	2,154,391
Engineers' salaries	1,211,084	987,596
Technicians' salaries	493,768	360,755
National insurance	248,358	175,360
Pension	87,070	85,355
Directors' remuneration	607,620	397,468
Subcontracting	1,458,447	1,243,558
Carriage and import duty	11,608	15,499
Travel, subsistence and others	305,948	272,391
Commissions	1,152,546	752,319
Hire of plant and equipment	-	364
	<u>9,048,895</u>	<u>6,445,056</u>

ANTHONY BEST DYNAMICS LIMITED

**SCHEDULE TO THE DETAILED ACCOUNTS
for the year ended 31 August 2013**

	2013 £	2012 £
Administration expenses		
Auditor's remuneration	30,000	15,000
Auditor's remuneration - non-audit	7,300	4,179
Staff salaries	215,242	169,443
Staff national insurance	21,073	15,628
Recruitment expenses	8,455	36,861
Entertainment	3,261	5,107
Printing, postage and stationery	1,129	1,245
Advertising and promotion	17,514	16,303
Telephone and fax	15,654	12,211
Trade subscriptions	12,864	5,609
Exhibitions	122,574	90,167
Light and heat	12,696	12,441
Cleaning	6,006	4,070
Depreciation	92,127	78,445
Motor running costs	4,036	5,621
Repairs and maintenance	47,682	18,335
Rent - operating leases	41,458	38,000
Rates	14,457	12,561
Sundry expenses	28,320	18,145
Discounts received	-	-
Insurances	85,887	56,174
Legal and professional	104,740	68,164
Patents	5,342	17,624
Bank charges	3,366	7,018
Difference on foreign exchange	(80,823)	(41,056)
Loss on write down of stock	28,504	-
Loss/(profit) on sale of tangible assets	2,753	(679)
	<u>851,617</u>	<u>666,616</u>
	2013 £	2012 £
Interest receivable		
Bank interest receivable	<u>17,123</u>	<u>15,540</u>