

REGISTERED NUMBER: 03404297 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
TERBERG MATEC UK LIMITED**

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TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

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for the Year Ended 31 December 2016**

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TERBERG MATEC UK LIMITED

COMPANY INFORMATION
for the Year Ended 31 December 2016

DIRECTORS:

T Conlon
W Marzano
G Terberg
R D Colby

SECRETARY:

A P Uttley

REGISTERED OFFICE:

Leacroft Road
Birchwood
Warrington
Cheshire
WA3 6PJ

REGISTERED NUMBER:

03404297 (England and Wales)

AUDITORS:

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

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**STRATEGIC REPORT
for the Year Ended 31 December 2016**

The directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

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

The year under review has seen a steady progression of the business overall with a slight downturn in demand for binlifts being compensated by a resurgence in recycler vehicles.

Turnover has increased by 6.1 % with gross margin showing a modest increase from 22.4 % to 23.3 %. Overheads are under control and slightly down as a proportion of turnover. Profit before tax is £3.3m compared to the previous year of £2.7m.

The year on year turnover and profit progression is as follows :

	2013	2014	2015	2016
	£'000	£'000	£'000	£'000
Turnover	31,742	27,151	25,024	26,540
Profit before tax	1,539	1,221	2,719	3,294

Terberg Matec UK was owned at divisional level by Terberg Environmental B.V. which is in turn was owned by Terberg Group B.V. both of which are based in the Netherlands. On 19 February 2016, Terberg Environmental merged with Ros Roca Environment, based in Spain, to create a leading international group providing innovative solutions for the recycling and waste disposal industry. Terberg Group has the majority shareholding in the merged group and the new Group Company is Terberg Ros Roca Group Limited, based in Warwick, England.

On 1 January 2017 the business of Terberg Matec UK Limited was transferred to Dennis Eagle Limited, its fellow subsidiary based in Warwick, England. as part of a group reorganisation. Trading for 2017 will be reported as part of Dennis Eagle Limited and Terberg Matec UK Limited becomes dormant.

**STRATEGIC REPORT
for the Year Ended 31 December 2016**

PRINCIPAL RISKS AND UNCERTAINTIES

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

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Company's activities expose it primarily to the financial risks of the changes in foreign currency exchange rates and interest rates. The Company uses foreign exchange forward contracts to hedge these exposures.

Credit risk

The Company's principal financial assets are bank balances and trade debtors.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company, has access to a short term Revolving Cashflow Facility provided by its bankers. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Foreign currency risk

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

Group financing risk

Under the new group structure a cross guarantee is in place over the bank indebtedness. The directors of the group manage this risk according to the assets of the group.

FUTURE DEVELOPMENTS

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

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

STRATEGIC REPORT
for the Year Ended 31 December 2016

RESEARCH AND DEVELOPMENT

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

ON BEHALF OF THE BOARD:



.....
W Marzano - Director

Date: 27 March 2017

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2016**

The directors present their report with the financial statements of the company for the year ended 31 December 2016.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2016 will be £2,687,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

T Conlon
W Marzano
G Terberg
R D Colby

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:



.....
W Marzano - Director

Date: 27 March 2017

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

We have audited the financial statements of Terberg Matec UK Limited for the year ended 31 December 2016 on pages eight to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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.

Emphasis of matter

We draw attention to Note 13 to the financial statements which describes the group cross guarantee in place over bank indebtedness. Our opinion is not qualified in respect of this matter.

We draw attention to Note 20 to the financial statements which describes the transfer of trade and assets of the company which has occurred after the year end date. Our opinion is not qualified in respect of this matter.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Peter J Cheetham FCA

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

Date: *14 July 2017*

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**INCOME STATEMENT
for the Year Ended 31 December 2016**

	Notes	2016 £	2015 £
TURNOVER		26,540,493	25,024,098
Cost of sales		20,345,857	19,415,187
GROSS PROFIT		6,194,636	5,608,911
Administrative expenses		2,887,022	2,874,664
OPERATING PROFIT	4	3,307,614	2,734,247
Interest receivable and similar income		509	1,206
		3,308,123	2,735,453
Interest payable and similar expenses	5	14,015	16,256
PROFIT BEFORE TAXATION		3,294,108	2,719,197
Tax on profit	6	677,628	564,416
PROFIT FOR THE FINANCIAL YEAR		2,616,480	2,154,781

The notes form part of these financial statements

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		2,616,480	2,154,781
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,616,480</u>	<u>2,154,781</u>

The notes form part of these financial statements

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

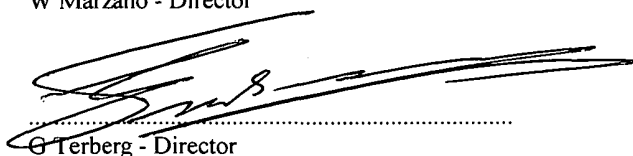
STATEMENT OF FINANCIAL POSITION
31 December 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	8	1,867,348	1,970,357
CURRENT ASSETS			
Stocks	9	3,730,694	2,535,144
Debtors	10	6,194,463	6,598,706
Cash in hand		1,450,616	3,163,000
		<u>11,375,773</u>	<u>12,296,850</u>
CREDITORS			
Amounts falling due within one year	11	<u>5,555,980</u>	<u>6,454,048</u>
NET CURRENT ASSETS		<u>5,819,793</u>	<u>5,842,802</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,687,141</u>	<u>7,813,159</u>
PROVISIONS FOR LIABILITIES	14	(334,683)	(320,123)
CREDITORS FALLING DUE IN GREATER THAN ONE YEAR	15	<u>(630,145)</u>	<u>(700,203)</u>
NET ASSETS		<u><u>6,722,313</u></u>	<u><u>6,792,833</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	100,000	100,000
Retained earnings	17	<u>6,622,313</u>	<u>6,692,833</u>
SHAREHOLDERS' FUNDS		<u><u>6,722,313</u></u>	<u><u>6,792,833</u></u>

The financial statements were approved by the Board of Directors on 27 March 2017 and were signed on its behalf by:



W Marzano - Director



G Terberg - Director

The notes form part of these financial statements

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2015	100,000	5,688,052	5,788,052
Changes in equity			
Dividends	-	(1,150,000)	(1,150,000)
Total comprehensive income	-	2,154,781	2,154,781
Balance at 31 December 2015	<u>100,000</u>	<u>6,692,833</u>	<u>6,792,833</u>
Changes in equity			
Dividends	-	(2,687,000)	(2,687,000)
Total comprehensive income	-	2,616,480	2,616,480
Balance at 31 December 2016	<u><u>100,000</u></u>	<u><u>6,622,313</u></u>	<u><u>6,722,313</u></u>

The notes form part of these financial statements

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2016**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

On 1 January 2017 the business of Terberg Matec UK Limited was transferred to Dennis Eagle Limited, its fellow subsidiary based in Warwick, England as part of a group reorganisation. Trading for 2017 will be reported as part of Dennis Eagle Limited and Terberg Matec UK Limited will become dormant.

Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows.

Significant judgements and estimates

The directors consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the group's accounting policies or key sources of estimation uncertainty, other than as stated below:

The product warranty provision in note 14 depends on a number of factors that are determined on an estimated basis. Any change in these estimations would affect the provision.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

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

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

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

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

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Financial instruments

The company mitigates foreign currency risk through use of forward contracts. At the year end date any currency movements between the spot rate and the forward contract rate are recognised within debtors or creditors as appropriate.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Foreign currencies

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

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

Pension costs and other post-retirement benefits

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

Leasing commitments

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

3. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	3,759,630	3,558,820
Social security costs	376,206	363,797
Other pension costs	485,265	448,785
	<u>4,621,101</u>	<u>4,371,402</u>

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

3. EMPLOYEES AND DIRECTORS - continued

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

	2016	2015
Sales and administration	39	41
Production	74	67
	<u>113</u>	<u>108</u>

	2016 £	2015 £
Directors' remuneration	<u>427,421</u>	<u>409,274</u>

Information regarding the highest paid director is as follows:

	2016 £	2015 £
Emoluments etc	<u>180,440</u>	<u>166,503</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation - owned assets	163,990	222,807
Auditors' remuneration	12,000	11,500
Auditors' remuneration for non audit work	<u>16,675</u>	<u>12,690</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016 £	2015 £
Bank & other interest	<u>14,015</u>	<u>16,256</u>

6. TAXATION

Analysis of the tax charge

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

	2016 £	2015 £
Current tax:		
UK corporation tax	674,848	564,984
Deferred tax	2,780	(568)
Tax on profit	<u>677,628</u>	<u>564,416</u>

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2016 £	2015 £
Profit before tax	<u>3,294,108</u>	<u>2,719,197</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.246%)	658,822	550,529
Effects of:		
Expenses not deductible for tax purposes	9,753	9,702
Depreciation in excess of capital allowances	10,779	14,425
Research and development uplift	(1,726)	(10,240)
Total tax charge	<u>677,628</u>	<u>564,416</u>

7. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each		
Interim	<u>2,687,000</u>	<u>1,150,000</u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2016	2,590,281	1,809,788	300,827	385,343	5,086,239
Additions	-	54,625	-	6,356	60,981
Disposals	-	(97,736)	(72,498)	(4,191)	(174,425)
At 31 December 2016	<u>2,590,281</u>	<u>1,766,677</u>	<u>228,329</u>	<u>387,508</u>	<u>4,972,795</u>
DEPRECIATION					
At 1 January 2016	830,702	1,703,012	235,430	346,738	3,115,882
Charge for year	57,920	51,287	30,630	24,153	163,990
Eliminated on disposal	-	(97,736)	(72,498)	(4,191)	(174,425)
At 31 December 2016	<u>888,622</u>	<u>1,656,563</u>	<u>193,562</u>	<u>366,700</u>	<u>3,105,447</u>
NET BOOK VALUE					
At 31 December 2016	<u>1,701,659</u>	<u>110,114</u>	<u>34,767</u>	<u>20,808</u>	<u>1,867,348</u>
At 31 December 2015	<u>1,759,579</u>	<u>106,776</u>	<u>65,397</u>	<u>38,605</u>	<u>1,970,357</u>

Included in cost of land and buildings is freehold land of £240,000 (2015 - £240,000) which is not depreciated.

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

8. TANGIBLE FIXED ASSETS - continued

Tangible fixed assets are initially recorded at cost.

9. STOCKS

	2016	2015
	£	£
Work-in-progress	1,394,351	1,012,657
Parts	2,336,343	1,522,487
	<u>3,730,694</u>	<u>2,535,144</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	2,588,178	6,343,719
Amounts owed by group undertakings	3,425,806	44,521
Deferred tax asset	66,681	69,461
Prepayments	113,798	141,005
	<u>6,194,463</u>	<u>6,598,706</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	729,281	3,145,368
Corporation tax	149,848	334,984
Social security and other taxes	982,453	656,776
Derivative creditors	157,850	-
Amounts owed to group undertakings	2,894,196	1,806,826
Accrued expenses	642,352	510,094
	<u>5,555,980</u>	<u>6,454,048</u>

12. LEASING AGREEMENTS

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

	2016	2015
	£	£
Within one year	301,195	266,532
Between one and five years	609,595	760,195
	<u>910,790</u>	<u>1,026,727</u>

13. SECURED DEBTS

Any bank indebtedness with Barclays plc is secured by debentures dated 19 February 2016 and 3 June 2016.

The company has also given a charge over its freehold property and intellectual property to Banco Bilbao SA to secure a cross guarantee with other companies in the Terberg Ros Roca group.

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016

14. PROVISIONS FOR LIABILITIES

	2016 £	2015 £
Other provisions		
Product warranty	<u>334,683</u>	<u>320,123</u>
	Deferred tax	Product warranty
	£	£
Balance at 1 January 2016	(69,461)	320,123
Charge to Income Statement during year	2,780	14,560
Change in warranty provision		
	<u> </u>	<u> </u>
Balance at 31 December 2016	<u>(66,681)</u>	<u>334,683</u>

The deferred tax asset is shown within Debtors in note 10 above. Product warranty is retained within the Provision for liabilities.

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

15. CREDITORS FALLING DUE IN GREATER THAN ONE YEAR

	2016 £	2015 £
Accruals and deferred income	<u>630,145</u>	<u>700,203</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2016 £	2015 £
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

17. RESERVES

	Retained earnings £
At 1 January 2016	6,692,833
Profit for the year	2,616,480
Dividends	<u>(2,687,000)</u>
At 31 December 2016	<u>6,622,313</u>

TERBERG MATEC UK LIMITED (REGISTERED NUMBER: 03404297)

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2016**

18. ULTIMATE PARENT COMPANY

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

The largest group in which the results of the company are consolidated is that headed by Terberg Group BV.

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

19. RELATED PARTY DISCLOSURES

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

20. POST BALANCE SHEET EVENTS

On 1 January 2017 the business of Terberg Matec UK Limited was transferred to Dennis Eagle Limited, its fellow subsidiary based in Warwick, England as part of a group reorganisation. Trading for 2017 will be reported as part of Dennis Eagle Limited and Terberg Matec UK Limited becomes dormant.