Financial Statements
WNT (UK) Limited

For the Year Ended 29 February 2016

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COMPANIES HOUSE

Registered number: 03772242

Company Information

Directors	A C Pennington J O'Hara C Sun G Knienieder
Company secretary	A C Pennington
Registered number	03772242
Registered office	Sheffield Business Park Europa Link Sheffield South Yorkshire S9 1XU
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	BNP Paribas Fortis 5 Aldermanbury Street London EC2V 7HR
Solicitors	The Thomas Higgins Partnership Lloyd Chambers 19-21 Seaview Road Wallasey CH45 4TH

WNT (UK) Limited
Registered number:03772242

Contents

Strategic Report
For the Year Ended 29 February 2016

Business review

Profitability was healthy and the outlook going forward is extremely positive.
The directors are pleased with the sales performance during the year and believe that WNT (UK) Limited is in a strong position to continue to expand its market share profitably.

Summary of key performance indicators
The directors have monitored the progress of the overall company strategy and the individual strategic elements by reference to certain financial key performance indicators.

	2015/2016	2014/2015
Sales	£20.33m	£22.27m
Gross profit margin	40.4%	37.0%
Operating profit margin	14.2%	12.7%

Strategy
The strategy adopted during the year has been to continually build on market position established by the company.

Turnover
The directors consider the results for the year to be above the overall performance of the market.

Future development for the business/future outlook
The directors remain confident that we will improve on our current level of performance in the foreseeable future with forecasted sales projecting the company will continue to increase its market share.

Strategic Report (continued)

For the Year Ended 29 February 2016

Principal risks and uncertainties

The Company uses various financial instruments. These include cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's activities.

The existence of these financial instruments exposes the company to a number of financial risks that are described in more detail below.

The main risks arising from the company's financial instruments are foreign exchange risk and credit risk. The directors review and agree policies for managing these risks and they are summarised below. These policies have remained unchanged from previous years.

Foreign exchange risk

The company is exposed to translation and transaction foreign exchange risk. In relation to translation risk, as far as possible, the assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures, including those associated with forecast transactions, are hedged when known, principally using foreign currency bank accounts and forward foreign exchange currency contracts. Whilst the aim is to achieve an economic hedge, the company does not adopt an accounting policy of hedge accounting for these financial statements.

Credit risk

The Company's principal financial assets are stock held at customers premises, cash and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit-rating agencies. The principal credit risk arises therefore from its stock and trade debtors.

In order to manage credit risk, the directors set limited for customers based on a combination of payment history, monthly stock usage and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

This report was approved by the board on 3 June 2016 and signed on its behalf.

A C Pennington
Director

Directors' Report
For the Year Ended 29 February 2016

The directors present their report and the financial statements for the year ended 29 February 2016.

Principal activity

The principal activity of the company is the sale of tooling products.

Results and dividends

The profit for the year, after taxation, amounted to £2,294,992 (2015 - £2,206,240).

Dividends declared and paid during the year amounted to £2,200,000 (2015: £2,400,000).

Directors

The directors who served during the year were:

A C Pennington
J O'Hara
C Sun
G Knienieder

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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'. 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 for the Company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- 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.

Directors' Report
For the Year Ended 29 February 2016

Disclosure 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 relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 3 June 2016 and signed on its behalf.

A C Pennington
Director

Grant Thornton

Independent Auditor's Report to the Members of WNT (UK) Limited

We have audited the financial statements of WNT (UK) Limited for the year ended 29 February 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity. and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) (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 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 on page 3, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 29 February 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.

Opinion on other matter 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 and the directors' report has been prepared in accordance with applicable legal requirements.

Grant Thornton

Independent Auditor's Report to the Members of WNT (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.

Grant Thornton UK LLP

Emma Stoddart (Senior statutory auditor)

for and on behalf of
Grant Thornton UK LLP

Statutory Auditor
Chartered Accountants
Liverpool

Date: 28 November 2016

Statement of Comprehensive Income
For the Year Ended 29 February 2016

	Note	2016 £	2015 £
Turnover	4	**20,327,051**	22,272,861
Cost of sales		**(12,109,589)**	(14,035,390)
Gross profit		**8,217,462**	8,237,471
Administrative expenses		**(5,463,729)**	(5,424,381)
Fair value movements on derivative contracts		**131,873**	-
Operating profit	5	**2,885,606**	2,813,090
Interest receivable and similar income	8	**761**	4,046
Interest payable and expenses	9	**(5,295)**	(176)
Profit before tax		**2,881,072**	2,816,960
Tax on profit	10	**(586,080)**	(610,720)
Profit for the year		**2,294,992**	2,206,240
Other comprehensive income for the year			
Total comprehensive income for the year		**2,294,992**	2,206,240

Balance Sheet
As at 29 February 2016

	Note		29 February 2016 £		28 February 2015 £
Fixed assets					
Tangible assets	12		**436,828**		526,466
			436,828		526,466
Current assets					
Stocks	13	**2,106,695**		2,153,290	
Debtors: amounts falling due within one year	14	**4,966,970**		5,283,047	
Cash at bank and in hand	15	**108,466**		340,433	
		7,182,131		7,776,770	
Creditors: amounts falling due within one year	16	**(4,203,676)**		(4,994,686)	
Net current assets			**2,978,455**		2,782,084
Total assets less current liabilities			**3,415,283**		3,308,550
Provisions for liabilities					
Deferred tax	18	**(67,938)**		(56,197)	
			(67,938)		(56,197)
Net assets			**3,347,345**		3,252,353
Capital and reserves					
Called up share capital	19		**1,000,000**		1,000,000
Profit and loss account	20		**2,347,345**		2,252,353
			3,347,345		3,252,353

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
3 June 2016

A C Pennington
Director

Statement of Changes in Equity
For the Year Ended 29 February 2016

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 March 2015	**1,000,000**	**2,252,353**	**3,252,353**
Comprehensive income for the year			
Profit for the year	-	**2,294,992**	**2,294,992**
Total comprehensive income for the year	-	**2,294,992**	**2,294,992**
Dividends: Equity capital	-	**(2,200,000)**	**(2,200,000)**
Total transactions with owners	-	**(2,200,000)**	**(2,200,000)**
At 29 February 2016	**1,000,000**	**2,347,345**	**3,347,345**

Statement of Changes in Equity
For the Year Ended 28 February 2015

	Share capital	Retained earnings	Total equity
	£	£	£
At 1 March 2014	**1,000,000**	**2,446,113**	**3,446,113**
Comprehensive income for the year			
Profit for the year	-	**2,206,240**	**2,206,240**
Total comprehensive income for the year	-	**2,206,240**	**2,206,240**
Dividends: Equity capital	-	**(2,400,000)**	**(2,400,000)**
Total transactions with owners	-	**(2,400,000)**	**(2,400,000)**
At 28 February 2015	**1,000,000**	**2,252,353**	**3,252,353**

The notes on pages 11 to 27 form part of these financial statements.

Statement of Cash Flows

For the Year Ended 29 February 2016

	29 February 2016 £	28 February 2015 £
Cash flows from operating activities		
Profit for the financial year	**2,294,992**	2,206,240
Adjustments for:		
Depreciation of tangible assets	**110,445**	109,164
Increase in stocks	**46,594**	(51,763)
Interest paid	**5,295**	176
Interest received	**(761)**	(4,046)
Taxation	**586,080**	610,720
Decrease/(increase) in debtors	**763,346**	(274,431)
Decrease/(increase) in amounts owed by groups	**(315,396)**	398,924
Increase/(decrease) in creditors	**(56,943)**	135,972
Increase/(decrease) in amounts owed to groups	**(481,123)**	172,842
Net fair value losses/gains recognised in P&L	**(131,873)**	-
Corporation tax	**(827,282)**	(662,998)
Net cash generated from operating activities	**1,993,374**	2,640,800
Cash flows from investing activities		
Purchase of tangible fixed assets	**(20,807)**	(230,819)
Sale of tangible fixed assets	**-**	471
Interest received	**761**	4,046
Net cash from investing activities	**(20,046)**	(226,302)
Cash flows from financing activities		
Dividends paid	**(2,200,000)**	(2,400,000)
Interest paid	**(5,295)**	(176)
Net cash used in financing activities	**(2,205,295)**	(2,400,176)
Net increase / (decrease) in cash and cash equivalents	**(231,967)**	14,322
Cash and cash equivalents at beginning of year	**340,433**	326,111
Cash and cash equivalents at the end of year	**108,466**	340,433
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**108,466**	340,433
	108,466	340,433

Notes to the Financial Statements
For the Year Ended 29 February 2016

1. General information

WNT (UK) Limited is a company incorporated in the UK and its registered office is Sheffield Business Park, Europa Link, Sheffield, S9 1XU.

The company's principal activity is the sale of tool parts through vending machines held on customers sites.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Notes to the Financial Statements
For the Year Ended 29 February 2016

2. Accounting policies (continued)

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	- over the period of the lease
Fixtures, fittings & equipment	- 10-33% straight line

The assets' residual values, useful lives and deprecation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administration expenses' in the statement of comprehensive income.

2.4 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Notes to the Financial Statements
For the Year Ended 29 February 2016

2. Accounting policies (continued)

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Notes to the Financial Statements

For the Year Ended 29 February 2016

2. Accounting policies (continued)

2.8 Financial instruments (continued)

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Profit and loss account within 'administrative expenses'.

2.11 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Notes to the Financial Statements
For the Year Ended 29 February 2016

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest income

Interest income is recognised in the Profit and loss account using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

Notes to the Financial Statements
For the Year Ended 29 February 2016

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

Preparation of the financial statements in accordance with generally accepted accounting principals requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the directors believe that the critical accounting policies where judgements or estimates are necessarily applied are summarised below:
- the useful expected lives of fixed assets
- bad debt provision
- stock provision

Notes to the Financial Statements
For the Year Ended 29 February 2016

4. Analysis of turnover

The whole of the turnover is attributable to the sale of metal tooling products.

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	**18,396,238**	20,101,757
Rest of Europe	**1,930,813**	2,171,105
	20,327,051	22,272,862

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	**110,445**	109,163
Fees payable to the Company's auditor and its associates for the audit of the company's annual accounts	**20,500**	19,190
- Taxation compliance services	**6,525**	-
Exchange differences	**(98,809)**	(86,252)
Defined contribution pension cost	**135,143**	126,728

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £	2015 £
Wages and salaries	**2,227,697**	2,272,638
Social security costs	**317,157**	261,292
Cost of defined contribution scheme	**135,143**	126,728
	2,679,997	2,660,658

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

	2016 No.	2015 No.
Selling and distribution staff	**40**	41
Administrative staff	**7**	7
	47	48

Notes to the Financial Statements
For the Year Ended 29 February 2016

7. Directors' remuneration

	2016	2015
	£	£
Directors' emoluments	**166,582**	136,223
Company contributions to defined contribution pension schemes	**9,832**	7,576
	176,414	143,799

During the year retirement benefits were accruing to 1 director (2015 - 1) in respect of defined contribution pension schemes.

Key management personnel are considered to be directors only. Remuneration received by key management personnel totals £197,558 (2015: £143,799).

8. Interest receivable

	2016	2015
	£	£
Other interest receivable	**761**	4,046
	761	4,046

9. Interest payable and similar charges

	2016	2015
	£	£
Loans from group undertakings	**5,295**	176
	5,295	176

Notes to the Financial Statements
For the Year Ended 29 February 2016

10. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	**559,705**	579,463
	559,705	579,463
Total current tax	**559,705**	579,463
Deferred tax		
Origination and reversal of timing differences	**26,375**	31,257
Total deferred tax	**26,375**	31,257
Taxation on profit on ordinary activities	**586,080**	610,720

Notes to the Financial Statements
For the Year Ended 29 February 2016

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20.08% (2015 - 21.2%%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	**2,881,072**	2,816,960
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.08% (2015 - 21.2%%)	**578,519**	597,196
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**29,817**	17,334
Capital allowances for year in excess of depreciation	**969**	(35,067)
Adjustments to tax charge in respect of prior periods	**12,821**	-
Short term timing difference leading to an increase (decrease) in taxation	**(36,046)**	-
Deferred tax	**-**	31,257
Total tax charge for the year	**586,080**	610,720

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	29 February 2016 £	28 February 2015 £
Dividends paid on equity capital at £2.20 (2015: £2.40) per share	**2,200,000**	2,400,000
	2,200,000	2,400,000

Notes to the Financial Statements

For the Year Ended 29 February 2016

12. Tangible fixed assets

	Leasehold property improvements	Fixtures, fittings & equipment	Total
	£	£	£
Cost or valuation			
At 1 March 2015	124,517	1,764,320	1,888,837
Additions	-	20,807	20,807
At 29 February 2016	124,517	1,785,127	1,909,644
Depreciation			
At 1 March 2015	69,470	1,292,901	1,362,371
Charge owned for the period	6,072	104,373	110,445
At 29 February 2016	75,542	1,397,274	1,472,816
Net book value			
At 29 February 2016	48,975	387,853	436,828
At 28 February 2015	55,047	471,419	526,466

The net book value of land and building may be further analysed as follows:

	29 February 2016	28 February 2015
	£	£
Long leasehold	48,975	55,047
	48,975	55,047

Notes to the Financial Statements
For the Year Ended 29 February 2016

13. Stocks

	29 February 2016 £	28 February 2015 £
Goods for resale	**2,106,695**	2,153,290
	2,106,695	2,153,290

Stock recognised in cost of sales during the year as an expense was £11,975,692 (2015: £13,886,252).

An impairment loss of £133,897 (2015: £149,138) was recognised in cost of sales against stock during the year.

14. Debtors

	29 February 2016 £	28 February 2015 £
Trade debtors	**4,017,275**	4,743,138
Amounts owed by group undertakings	**345,317**	29,921
Prepayments and accrued income	**472,505**	509,988
Financial instruments	**131,873**	-
	4,966,970	5,283,047

An impairment loss of £72,333 (2015: £26,702) was recognised against trade debtors.

15. Cash and cash equivalents

	29 February 2016 £	28 February 2015 £
Cash at bank and in hand	**108,466**	340,433
	108,466	340,433

Notes to the Financial Statements

For the Year Ended 29 February 2016

16. Creditors: Amounts falling due within one year

	29 February 2016 £	28 February 2015 £
Trade creditors	**221,800**	279,176
Amounts owed to group undertakings	**2,829,521**	3,310,643
Corporation tax	**301,656**	241,202
Taxation and social security	**551,229**	630,860
Accruals and deferred income	**299,470**	532,805
	4,203,676	4,994,686

17. Financial instruments

	29 February 2016 £	28 February 2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	**131,873**	-
Financial assets measured at amortised cost	**4,471,058**	5,113,492
	4,602,931	5,113,492
Financial liabilities		
Financial liabilities measured at amortised cost	**(3,350,793)**	(4,122,625)
	(3,350,793)	(4,122,625)

Financial assets measured at fair value through profit or loss comprise forward exchange contracts.

Financial assets measured at amortised cost comprise cash and cash equivalents, amounts owed by group and trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group and accruals and deferred income.

Notes to the Financial Statements

For the Year Ended 29 February 2016

18. Deferred taxation

	Deferred tax
	£
At 1 March 2015	**(56,197)**
Charged to the profit or loss	**(11,741)**
At 29 February 2016	**(67,938)**

The provision for deferred taxation is made up as follows:

	29 February 2016	28 February 2015
	£	£
Accelerated capital allowances	**(41,563)**	(56,197)
Forward exchange contracts	**(26,375)**	-
	(67,938)	(56,197)

19. Share capital

	29 February 2016	28 February 2015
	£	£
Allotted, called up and fully paid		
1,000,000 Ordinary Shares shares of £1 each	**1,000,000**	1,000,000

20. Reserves

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

21. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension cost charge represents contributions payable by the company to the fund and amounted to £135,143 (2015: £126,728).

Notes to the Financial Statements

For the Year Ended 29 February 2016

22. Commitments under operating leases

At 29 February 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	29 February 2016 £	28 February 2015 £
Not later than 1 year	**462,844**	201,200
Later than 1 year and not later than 5 years	**739,200**	361,136
Later than 5 years	**319,211**	383,054
Total	**1,521,255**	945,390

Notes to the Financial Statements

For the Year Ended 29 February 2016

23. Related party transactions

29 February 2016

During the year the company has undertaken the following transactions with other group companies. They are related parties of the company by virtue of common shareholders and directorships:

	Debtor/ (creditor) balance at 29 February 2016 £	Sales/ (purchases) for the year £	Other operating income/ (expenditure) for the year £	Interest receivable/ (payable) £
Ceratizit UK Limited	2,477	-	-	-
Ceratizit Luxembourg	14,063	-	-	-
Plansee Group Service SA	138	-	-	761
WNT Deutschland GmbH	(2,789,053)	(11,705,082)	(55,439)	-
WNT Italia SpA	(988)	-	-	-
Ceratizit SA	(35,620)	-	-	-
Ceratizit Bulgaria AG	(348)	(2,218)	-	-
Gunter Wirth	(1,807)	(25,689)	-	-
	(2,811,138)	(11,732,989)	(55,439)	761

28 February 2015

During the prior year, the company had undertaken the following transactions with related parties:

	Debtor/ (creditor) balance at 28 February 2015 £	Sales/ (purchases) for the year £	Other operating income/ (expenditure) for the year £	Interest receivable/ (payable) £
Ceratizit UK Limited	16,830	4,312	337,060	-
WNT Deutschland GmbH	(3,169,247)	(13,607,818)	-	-
Ceratizit Luxembourg	7,272	-	108,450	-
Ceratizit S.A.	(32,752)	-	(203,588)	-
Ceratizit Austria GmbH	(48,066)	(123,635)	-	-
Plansee Group Service S.A.	58	-	(1,621)	3,992
WNT Ceska Republic s.r.o.	-	-	8,044	-
	(3,225,905)	(13,727,141)	248,345	3,992

Notes to the Financial Statements
For the Year Ended 29 February 2016

24. Ultimate parent undertaking and controlling party

The company is a subsidiary of Ceratizit UK Holding Company Limited, which is registered in England and Wales.

The directors consider that the ultimate parent undertaking of this company is Ceratizit S.A., a company incorporated in Luxembourg. Ceratizit S.A. is also the company's ultimate controlling related party.

The largest group in which the results of the company are consolidated is that headed by Ceratizit S.A. Copies of the group financial statements are available from Ceratizit Group, A6600 Reutte, Tyrol, Austria.

The smallest group in which the results of the company are consolidated is that headed by Ceratizit UK Holding Company Limited. Copies of the group financial statements are available from Companies House.

25. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.