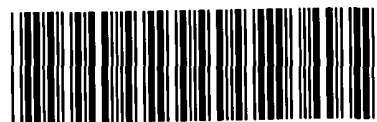


REGISTERED NUMBER: 05891820 (England and Wales)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 October 2016
for
The Abbey Group UK Ltd

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for the Year Ended 31 October 2016

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The Abbey Group UK Ltd
Company Information
for the Year Ended 31 October 2016

DIRECTORS:

Mrs J M Neal
R S Neal

SECRETARY:

R S Neal

REGISTERED OFFICE:

Beeley Wood Works
Beeley Wood Lane
Sheffield
South Yorkshire
S6 1ND

REGISTERED NUMBER:

05891820 (England and Wales)

AUDITORS:

Sutton McGrath Hartley Limited
Statutory Auditor & Chartered Accountant
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Group Strategic Report
for the Year Ended 31 October 2016

The directors present their strategic report of the company and the group for the year ended 31 October 2016.

REVIEW OF BUSINESS

The group has seen revenues and subsequently profits drop this year which is largely down to a competitive market place. The group expects to reverse this decline and press ahead with technological advancements in line with its expectations.

Turnover has fallen by 24.96% in the year, whilst cost of sales has also fallen by 18.36%.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk is present in all business. The directors consider the major risks and uncertainties at this point in time are:

1. Product Mix

Commodity-like steel products face higher degrees of competition and are more exposed to price volatility. The main trade of the group produces higher value added products that provide above average margins, stable volumes and contribute to a reduction on relative earnings fluctuations.

2. Raw Material Position

The cost efficiency of the groups main operations is highly dependent on the cost and availability of raw materials. The group does not rely to heavily on one major supplier for raw materials which gives the group access to readily available raw materials at competitive prices.

3. Market Volatility

Being the the main trade of the group is operating in the steel industry, its earnings are exposed to cyclical changes to supply and demand resulting in price fluctuations that can lead to varied and volatile financial performance. Management have significant experience in the steel industry which allows them to take a proactive response to cyclical changes in order to reduce the risk that market volatility has on the group's financial performance.

Group Strategic Report
for the Year Ended 31 October 2016

PERFORMANCE MONITORING

The board monitors the group's performance in a number of ways including key performance indicators. The key financial performance indicators for The Abbey Group are as follows:

	2016	2015
	£	£
Revenue	22,274,371	29,682,997
Operating profit per employee	55,786	37,639
Turnover per employee	127,282	144,092
Return on capital employed	27.1%	34.9%
Gross profit margin	37.51%	42.6%
Operating profit margin	27.16%	26.1%
Current Ratio	1.5:1	1.5:1

The revenue indicator represents the value of goods delivered to customers in the year and measures sales reduction in value terms.

The operating profit per employee indicator represents the contribution per employee and measures the growth per employee in value terms.

The turnover per production employee indicator represents the sales output per employee and measures production efficiency in value terms.

The return on capital employed indicator represents the value of return to the shareholder in the year through the activities of the group and measures return in value terms.

The gross profit margin is calculated by dividing the gross profit by revenue and measures the total profitability of product sales.

The operating profit margin is the profit generated by the group from its operations excluding finance and investment income and costs before taxation. This indicator measures overall profitability of the group for the year.


The current ratio indicator represents the value of the group's current assets against its current liabilities and measures the ability of the group to finance its operations as they fall due.

The board also considers the following key non-financial performance indicators:

1. Customer mix against plans.
2. Sales activities measured against results.

These non-financial indicators are reviewed regularly by the board.

ON BEHALF OF THE BOARD:


.....
Mrs J M Neal - Director

Date: 21/7/17
.....

Report of the Directors
for the Year Ended 31 October 2016

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

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of manufacturers, forgers and distributors of steel products.

DIVIDENDS

An interim dividend of £35250 per share was paid on the Ordinary £1 shares on 6 April 2016. No dividends were paid on the B Ordinary £1 shares.

The total distribution of dividends for the year ended 31 October 2016 will be £7,050,000.

FUTURE DEVELOPMENTS

The group plans to continue the growth into future years and the directors are focused and confident regarding business development in the future. The directors expect their overall general investments within the group to increase the group's trade and profits in future years.

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 November 2015 to the date of this report.

Mrs J M Neal
R S Neal

FINANCIAL INSTRUMENTS

The groups principal financial instruments comprise of bank balances, trade debtors, trade creditors and loans both to and from the companies which make up the group.

Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance in order to ensure all due amounts can be paid within the deadlines stipulated when credit is taken. The group makes use of additional funds held in excess of that required for the day to day running of the group by investing them in high interest accounts. These do have instant access to ensure money is available when required to meet any demands on cash flow.

In respect of loans to and from the group these comprise of loans both from and to directors and employees, these are interest free and payable on demand. The directors are aware of the group's financial position and would not withdraw funds unless the group had sufficient funds to satisfy the day to day running of the group.

Trade debtors are managed in respect of credit and cash flow risk by the regular monitoring of amounts outstanding for time limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

EURO ISSUES

The group's systems are Euro compatible. The group has assessed the situation and does not anticipate any problems if the Euro is introduced in the UK.

DIRECTORS INDEMNITY PROVISIONS

The directors have been granted a qualifying third party indemnity provision under Section 234 of the Companies Act 2006. This indemnity does not provide cover in the event of a director being proven to have acted fraudulently or dishonestly.

Report of the Directors
for the Year Ended 31 October 2016

EMPLOYMENT POLICIES

The group has equal opportunities policies which are applied to job applicants and existing employees.

Full and fair consideration is given to the employment of disabled persons and the group has made, and will continue to make, every effort to retain and assist any individuals disabled in the course of their employment and to help with their rehabilitation.

Employees are made aware of the financial and economic factors affecting the achievements of the group companies for which they work and the way in which their personal contributions are of fundamental importance to the further success of the business.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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), 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

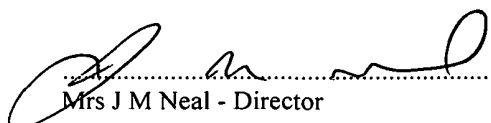
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Sutton McGrath Hartley Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
Mrs J M Neal - Director

Date: 21/7/17

Report of the Independent Auditors to the Members of
The Abbey Group UK Ltd

We have audited the financial statements of The Abbey Group UK Ltd for the year ended 31 October 2016 on pages eight to thirty. 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 group's and the parent 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 Group 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 group's and of the parent company's affairs as at 31 October 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

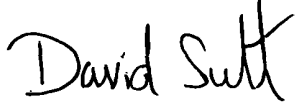
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
The Abbey Group UK Ltd

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



David Sutton FCA (Senior Statutory Auditor)
for and on behalf of Sutton McGrath Hartley Limited
Statutory Auditor & Chartered Accountant
5 Westbrook Court
Sharrowvale Road
Sheffield
South Yorkshire
S11 8YZ

Date: 21/7/17

The Abbey Group UK Ltd (Registered number: 05891820)

Consolidated Income Statement
for the Year Ended 31 October 2016

	Notes	2016 £	2015 £
TURNOVER	3	22,274,371	29,682,997
Cost of sales		13,936,210	17,047,596
GROSS PROFIT		8,338,161	12,635,401
Administrative expenses		2,327,052	4,460,526
		6,011,109	8,174,875
Other operating income		38,687	47,437
OPERATING PROFIT	6	6,049,796	8,222,312
Interest receivable and similar income		177,575	289,850
		6,227,371	8,512,162
Interest payable and similar expenses	7	6,500	-
PROFIT BEFORE TAXATION		6,220,871	8,512,162
Tax on profit	8	1,270,401	1,876,796
PROFIT FOR THE FINANCIAL YEAR		4,950,470	6,635,366
Profit attributable to: Owners of the parent		4,950,470	6,635,366

The notes form part of these financial statements

The Abbey Group UK Ltd (Registered number: 05891820)

Consolidated Other Comprehensive Income
for the Year Ended 31 October 2016

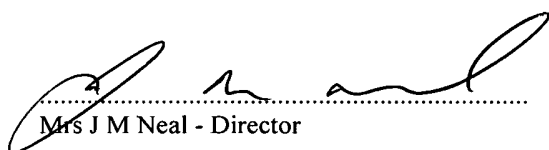
	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		4,950,470	6,635,366
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>4,950,470</u>	<u>6,635,366</u>
Total comprehensive income attributable to: Owners of the parent		<u>4,950,470</u>	<u>6,635,366</u>

The notes form part of these financial statements

Consolidated Statement of Financial Position
31 October 2016

	Notes	2016		2015	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		1,354,981		1,474,949
Tangible assets	12		16,279,489		16,217,306
Investments	13		68,850		68,850
Investment property	14		4,307,000		4,307,000
			<hr/>		<hr/>
			22,010,320		22,068,105
CURRENT ASSETS					
Stocks	15	533,662		824,327	
Debtors	16	6,673,464		13,102,257	
Cash at bank		19,845,626		14,169,922	
		<hr/>		<hr/>	
		27,052,752		28,096,506	
CREDITORS					
Amounts falling due within one year	17	4,754,813		3,740,762	
		<hr/>		<hr/>	
NET CURRENT ASSETS			22,297,939		24,355,744
TOTAL ASSETS LESS CURRENT LIABILITIES			<hr/>		<hr/>
			44,308,259		46,423,849
PROVISIONS FOR LIABILITIES	18		129,240		145,320
			<hr/>		<hr/>
NET ASSETS			44,179,019		46,278,529
			<hr/>		<hr/>
CAPITAL AND RESERVES					
Called up share capital	19		224		204
Retained earnings	20		44,178,795		46,278,325
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			44,179,019		46,278,529
			<hr/>		<hr/>

The financial statements were approved by the Board of Directors on21/7/17..... and were signed on its behalf by:

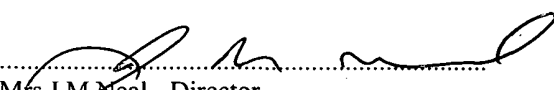

.....
Mrs J M Neal - Director

The Abbey Group UK Ltd (Registered number: 05891820)

Company Statement of Financial Position
31 October 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	11	1,254,000	1,368,000
Tangible assets	12	4,416,058	4,845,416
Investments	13	68,956	68,956
Investment property	14	-	-
		<u>5,739,014</u>	<u>6,282,372</u>
CURRENT ASSETS			
Debtors	16	18,992,171	17,950,432
CREDITORS			
Amounts falling due within one year	17	<u>198,852</u>	<u>194,120</u>
NET CURRENT ASSETS		<u>18,793,319</u>	<u>17,756,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,532,333</u>	<u>24,038,684</u>
PROVISIONS FOR LIABILITIES	18	-	7,759
NET ASSETS		<u><u>24,532,333</u></u>	<u><u>24,030,925</u></u>
CAPITAL AND RESERVES			
Called up share capital	19	204	204
Retained earnings	20	24,532,129	24,030,721
SHAREHOLDERS' FUNDS		<u><u>24,532,333</u></u>	<u><u>24,030,925</u></u>
Company's profit for the financial year		<u><u>7,551,408</u></u>	<u><u>6,413,311</u></u>

The financial statements were approved by the Board of Directors on 21/11/17 and were signed on its behalf by:


Mrs J M Neal - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
for the Year Ended 31 October 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2014	204	45,362,959	45,363,163
Changes in equity			
Dividends	-	(5,720,000)	(5,720,000)
Total comprehensive income	-	6,635,366	6,635,366
Balance at 31 October 2015	<u>204</u>	<u>46,278,325</u>	<u>46,278,529</u>
Changes in equity			
Issue of share capital	20	-	20
Dividends	-	(7,050,000)	(7,050,000)
Total comprehensive income	-	4,950,470	4,950,470
Balance at 31 October 2016	<u>224</u>	<u>44,178,795</u>	<u>44,179,019</u>

The Abbey Group UK Ltd (Registered number: 05891820)

Company Statement of Changes in Equity
for the Year Ended 31 October 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2014	204	23,337,410	23,337,614
Changes in equity			
Dividends	-	(5,720,000)	(5,720,000)
Total comprehensive income	-	6,413,311	6,413,311
Balance at 31 October 2015	<u>204</u>	<u>24,030,721</u>	<u>24,030,925</u>
Changes in equity			
Dividends	-	(7,050,000)	(7,050,000)
Total comprehensive income	-	7,551,408	7,551,408
Balance at 31 October 2016	<u>204</u>	<u>24,532,129</u>	<u>24,532,333</u>

The notes form part of these financial statements

Consolidated Statement of Cash Flows
for the Year Ended 31 October 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	8,649,527	13,351,113
Interest paid		(6,500)	-
Tax paid		18,467	(2,887,697)
Net cash from operating activities		<u>8,661,494</u>	<u>10,463,416</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,023,391)	(4,666,061)
Purchase of investment property		-	(3,274,067)
Sale of tangible fixed assets		13,500	1,886,837
Interest received		177,575	289,850
Net cash from investing activities		<u>(832,316)</u>	<u>(5,763,441)</u>
Cash flows from financing activities			
Amount introduced by directors		7,352,453	9,766,556
Amount withdrawn by directors		(2,455,947)	(12,399,357)
Share issue		20	-
Equity dividends paid		(7,050,000)	(5,720,000)
Net cash from financing activities		<u>(2,153,474)</u>	<u>(8,352,801)</u>
Increase/(decrease) in cash and cash equivalents		<u>5,675,704</u>	<u>(3,652,826)</u>
Cash and cash equivalents at beginning of year	2	<u>14,169,922</u>	<u>17,822,748</u>
Cash and cash equivalents at end of year	2	<u><u>19,845,626</u></u>	<u><u>14,169,922</u></u>

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31 October 2016

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016 £	2015 £
Profit before taxation	6,220,871	8,512,162
Depreciation charges	1,079,756	1,312,975
Profit on disposal of fixed assets	(12,082)	-
Finance costs	6,500	-
Finance income	(177,575)	(289,850)
	<hr/> 7,117,470	<hr/> 9,535,287
Decrease in stocks	290,665	368,933
Decrease in trade and other debtors	1,380,994	6,480,218
Decrease in trade and other creditors	(139,602)	(3,033,325)
	<hr/> 8,649,527	<hr/> 13,351,113
Cash generated from operations	<hr/> <hr/> 8,649,527	<hr/> <hr/> 13,351,113

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 October 2016

	31/10/16 £	1/11/15 £
Cash and cash equivalents	<hr/> <hr/> 19,845,626	<hr/> <hr/> 14,169,922

Year ended 31 October 2015

	31/10/15 £	1/11/14 £
Cash and cash equivalents	<hr/> <hr/> 14,169,922	<hr/> <hr/> 17,822,748

Notes to the Consolidated Financial Statements
for the Year Ended 31 October 2016

1. STATUTORY INFORMATION

The Abbey Group UK Ltd 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 General 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 as modified by the revaluation of certain assets.

Consolidation

The group accounts consolidate the accounts of The Abbey Group UK Limited and its subsidiary companies. The subsidiaries financial years are all coterminous with that of the company except for the subsidiary Royal Villa Number 22 Limited, whose financial year ended on 31 December 2016.

Interim accounts to 31 October 2016 for Royal Villa Number 22 Limited have been prepared and consolidated into the group accounts of The Abbey Group UK Limited.

Turnover

Turnover is the amount derived from ordinary activities and stated after trade discounts, other sales taxes and Value Added Tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of businesses in 2007, is being amortised evenly over its estimated useful life of twenty and sixteen years.

Tangible fixed assets

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

Freehold property	- not provided
Long leasehold	- not provided
Plant and machinery	- 25% on cost, 25% on reducing balance, 20% on reducing balance, 10% on cost and 5% on reducing balance
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

The directors consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book values. As a result, the corresponding depreciation would not be material and therefore is not charged to the profit and loss account.

The directors perform annual impairment reviews in accordance with the requirements of FRS102 section 17 and section 27 to ensure that the carrying value is not lower than the recoverable amount.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

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 includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

2. ACCOUNTING POLICIES - continued

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.

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.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market for the year ended 31 October 2015 is given below:

	£
United Kingdom	20,964,501
Europe	3,915,888
Rest of the world	4,802,608
	<hr/>
	29,682,997
	<hr/>

This analysis is not considered to be applicable to the year ended 31 October 2016.

4. EMPLOYEES AND DIRECTORS

	2016	2015
	£	£
Wages and salaries	6,014,798	6,406,735
Social security costs	572,454	639,750
Other pension costs	248	440,248
	<hr/>	<hr/>
	6,587,500	7,486,733
	<hr/>	<hr/>

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

	2016	2015
Production and Manual	124	134
Administration	54	75
	<hr/>	<hr/>
	178	209
	<hr/>	<hr/>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

4. EMPLOYEES AND DIRECTORS - continued

The average number of employees by undertakings that are proportionately consolidated during the year was 178.

5. DIRECTORS' EMOLUMENTS

	2016	2015
	£	£
Directors' remuneration	82,089	42,120
Directors' pension contributions to money purchase schemes	248	292,748

The number of directors to whom retirement benefits were accruing was as follows:

	2016	2015
Money purchase schemes	3	3

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	37,603	27,504
Depreciation - owned assets	959,790	1,193,008
Profit on disposal of fixed assets	(12,082)	-
Goodwill amortisation	119,968	119,967
Auditors' remuneration	11,230	10,630
Auditors' remuneration for non audit work	25,501	21,496

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016	2015
	£	£
Corporation Tax Interest	6,500	-

8. 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	1,316,832	1,788,658
Prior Year Underprovision	(30,352)	99,535
Total current tax	1,286,480	1,888,193
Deferred tax	(16,079)	(11,397)
Tax on profit	1,270,401	1,876,796

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

8. 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	6,220,871	8,512,162
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	1,244,174	1,702,432
Effects of:		
Expenses not deductible for tax purposes	25,027	8,324
Income not taxable for tax purposes	(2,416)	(2,744)
Depreciation in excess of capital allowances	43,920	35,797
Adjustments to tax charge in respect of previous periods	(30,352)	99,534
Tax charged at higher rates	6,127	44,850
Deferred tax movement	(16,079)	(11,397)
Total tax charge	1,270,401	1,876,796

9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

10. DIVIDENDS

	2016	2015
	£	£
Ordinary shares of £1 each		
Interim	7,050,000	5,180,000
B Ordinary shares of £1 each		
Interim	-	540,000
	7,050,000	5,720,000

11. INTANGIBLE FIXED ASSETS

Group

Goodwill
£

COST

At 1 November 2015
and 31 October 2016

2,057,341

AMORTISATION

At 1 November 2015
Amortisation for year

582,392
119,968

At 31 October 2016

702,360

NET BOOK VALUE

At 31 October 2016

1,354,981

At 31 October 2015

1,474,949

Company

Goodwill
£

COST

At 1 November 2015
and 31 October 2016

1,896,001

AMORTISATION

At 1 November 2015
Amortisation for year

528,001
114,000

At 31 October 2016

642,001

NET BOOK VALUE

At 31 October 2016

1,254,000

At 31 October 2015

1,368,000

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016**

12. TANGIBLE FIXED ASSETS

Group	Freehold property £	Long leasehold £	Plant and machinery £
COST OR VALUATION			
At 1 November 2015	12,066,513	377,307	10,078,737
Additions	250,565	-	389,409
At 31 October 2016	12,317,078	377,307	10,468,146
DEPRECIATION			
At 1 November 2015	-	-	6,487,841
Charge for year	-	-	771,384
Eliminated on disposal	-	-	-
At 31 October 2016	-	-	7,259,225
NET BOOK VALUE			
At 31 October 2016	12,317,078	377,307	3,208,921
At 31 October 2015	12,066,513	377,307	3,590,896

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 November 2015	438,729	479,843	64,187	23,505,316
Additions	335,351	29,850	18,216	1,023,391
Disposals	-	(25,011)	-	(25,011)
At 31 October 2016	774,080	484,682	82,403	24,503,696
DEPRECIATION				
At 1 November 2015	360,293	393,207	46,669	7,288,010
Charge for year	111,730	57,624	19,052	959,790
Eliminated on disposal	-	(23,593)	-	(23,593)
At 31 October 2016	472,023	427,238	65,721	8,224,207
NET BOOK VALUE				
At 31 October 2016	302,057	57,444	16,682	16,279,489
At 31 October 2015	78,436	86,636	17,518	16,217,306

Cost or valuation at 31 October 2016 is represented by:

	Freehold property £	Long leasehold £	Plant and machinery £
Cost	12,317,078	377,307	10,468,146

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

12. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost	774,080	484,682	82,403	24,503,696

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 November 2015 and 31 October 2016	3,662,966	6,135,033	261,719	266,407	10,326,125
DEPRECIATION					
At 1 November 2015	-	4,952,583	261,719	266,407	5,480,709
Charge for year	-	429,358	-	-	429,358
At 31 October 2016	-	5,381,941	261,719	266,407	5,910,067
NET BOOK VALUE					
At 31 October 2016	3,662,966	753,092	-	-	4,416,058
At 31 October 2015	3,662,966	1,182,450	-	-	4,845,416

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

13. FIXED ASSET INVESTMENTS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
		as restated		as restated
Shares in group undertakings	106	106	106	106
Other investments not loans	68,750	68,750	68,750	67,750
	<u>68,856</u>	<u>68,856</u>	<u>68,856</u>	<u>68,856</u>

Additional information is as follows:

GROUP

	Shares in group undertakings £
COST	
At 1 November 2015 and 31 October 2016	<u>106</u>
NET BOOK VALUE	
At 31 October 2016	<u>106</u>
At 31 October 2015	<u>106</u>

	Other investments £
COST	
At 1 November 2015 and 31 October 2016	<u>68,750</u>
NET BOOK VALUE	
At 31 October 2016	<u>68,750</u>
At 31 October 2015	<u>68,750</u>

COMPANY

	Shares in group undertakings £
COST	
At 1 November 2015 and 31 October 2016	<u>106</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

NET BOOK VALUE

At 31 October 2016

106

At 31 October 2015

106

Other
investments
£

COST

At 1 November 2015 and 31 October 2016

68,750

NET BOOK VALUE

At 31 October 2016

68,750

At 31 October 2015

68,750

14. INVESTMENT PROPERTY

Group

**Total
£**

FAIR VALUE

At 1 November 2015
and 31 October 2016

4,307,000

NET BOOK VALUE

At 31 October 2016

4,307,000

At 31 October 2015

4,307,000

Over the years, the group has acquired freehold investment properties in Spain and Barbados. Whilst no formal valuation was undertaken to value the properties as at 31 October 2016, the directors feel that the value of the properties is not materially different to the amount that the properties cost the group.

15. STOCKS

Group

	2016 £	2015 £
Work-in-progress	320,798	520,509
Finished goods	212,864	303,818
	<u>533,662</u>	<u>824,327</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016**

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	4,386,138	5,783,101	-	-
Amounts owed by group undertakings	-	100	18,954,938	17,950,432
Other debtors	251,719	13,724	-	-
Directors' current accounts	1,962,760	7,010,459	-	-
VAT	-	226,621	-	-
Deferred tax asset	-	-	37,233	-
Prepayments	72,847	68,252	-	-
	<u>6,673,464</u>	<u>13,102,257</u>	<u>18,992,171</u>	<u>17,950,432</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	2,448,037	3,057,344	2	2
Amounts owed to group undertakings	-	-	6	6
Tax	1,489,293	184,346	198,844	194,112
Social security and other taxes	141,813	152,530	-	-
VAT	348,411	-	-	-
Other creditors	8,735	146,069	-	-
Directors' current accounts	-	151,294	-	-
Accrued expenses	318,524	49,179	-	-
	<u>4,754,813</u>	<u>3,740,762</u>	<u>198,852</u>	<u>194,120</u>

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Deferred tax	<u>129,240</u>	<u>145,320</u>	<u>-</u>	<u>7,759</u>
Group				
				Deferred tax
				£
Balance at 1 November 2015				145,320
Accelerated capital allowances				(16,080)
Balance at 31 October 2016				<u>129,240</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

18. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1 November 2015	7,759
Accelerated capital allowances	<u>(44,992)</u>
Balance at 31 October 2016	<u><u>(37,233)</u></u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
200	Ordinary	£1	200	200
4	B Ordinary	£1	4	4
			<u>204</u>	<u>204</u>

20. RESERVES

Group

	Retained earnings £
At 1 November 2015	46,278,325
Profit for the year	4,950,470
Dividends	<u>(7,050,000)</u>
At 31 October 2016	<u><u>44,178,795</u></u>

Company

	Retained earnings £
At 1 November 2015	24,030,721
Profit for the year	7,551,408
Dividends	<u>(7,050,000)</u>
At 31 October 2016	<u><u>24,532,129</u></u>

21. RELATED PARTY DISCLOSURES

During the year, total dividends of £7,050,000 were paid to the directors.

The Abbey Group UK Ltd (Registered number: 05891820)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2016

21. RELATED PARTY DISCLOSURES - continued

Included in debtors is an amount due from Mrs J M & Mr RS Neal, who are both directors of all related company and are the ultimate controlling parties. The loan is as follows:

	Balance brought forward as at 01/11/2015£	Capital Introduced£	Drawings£	Balance carried forward as at 31/10/2016£
Mrs J M and Mr R S Neal	(7,010,459)	7,390,112	(2,255,364)	(1,875,710)

The maximum outstanding balance due to the company from Mrs J M and Mr R S Neal during the year was £8,168,612.

Between 01/11/2015 to 05/04/2016 the above overdrawn balances were subject to an interest charge calculated at 3% per annum in line with HMRC approved rates. The loans have no fixed dates for repayment and no credit interest is applied to balances in credit.

22. POST BALANCE SHEET EVENTS

There are no events since the end of the year which require disclosure to the financial statements.

23. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr and Mrs Neal.

24. POWER TO AMEND FINANCIAL STATEMENTS

The directors have the power to amend the financial statements after they have been issued.

Reconciliation of Equity
1 November 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		1,594,916	-	1,594,916
Tangible assets		14,631,090	-	14,631,090
Investments		68,850	-	68,850
Investment property		1,032,933	-	1,032,933
		<hr/> 17,327,789	<hr/> -	<hr/> 17,327,789
CURRENT ASSETS				
Stocks		1,193,260	-	1,193,260
Debtors		16,662,799	-	16,662,799
Cash at bank		17,822,748	-	17,822,748
		<hr/> 35,678,807	<hr/> -	<hr/> 35,678,807
CREDITORS				
Amounts falling due within one year		(7,486,716)	-	(7,486,716)
NET CURRENT ASSETS		<hr/> 28,192,091	<hr/> -	<hr/> 28,192,091
TOTAL ASSETS LESS CURRENT LIABILITIES		45,519,880	-	45,519,880
PROVISIONS FOR LIABILITIES		(156,717)	-	(156,717)
NET ASSETS		<hr/> 45,363,163	<hr/> -	<hr/> 45,363,163
CAPITAL AND RESERVES				
Called up share capital		204	-	204
Retained earnings		45,362,959	-	45,362,959
SHAREHOLDERS' FUNDS		<hr/> 45,363,163	<hr/> -	<hr/> 45,363,163
		<hr/> 45,363,163	<hr/> -	<hr/> 45,363,163

Reconciliation of Equity - continued
31 October 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		1,474,949	-	1,474,949
Tangible assets		16,217,306	-	16,217,306
Investments		68,850	-	68,850
Investment property		4,307,000	-	4,307,000
		<u>22,068,105</u>	<u>-</u>	<u>22,068,105</u>
CURRENT ASSETS				
Stocks		824,327	-	824,327
Debtors		13,102,257	-	13,102,257
Cash at bank		14,169,922	-	14,169,922
		<u>28,096,506</u>	<u>-</u>	<u>28,096,506</u>
CREDITORS				
Amounts falling due within one year		(3,740,762)	-	(3,740,762)
NET CURRENT ASSETS		<u>24,355,744</u>	<u>-</u>	<u>24,355,744</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		46,423,849	-	46,423,849
PROVISIONS FOR LIABILITIES		(145,320)	-	(145,320)
NET ASSETS		<u>46,278,529</u>	<u>-</u>	<u>46,278,529</u>
CAPITAL AND RESERVES				
Called up share capital		204	-	204
Retained earnings		46,278,325	-	46,278,325
SHAREHOLDERS' FUNDS		<u>46,278,529</u>	<u>-</u>	<u>46,278,529</u>
		<u>46,278,529</u>	<u>-</u>	<u>46,278,529</u>

Reconciliation of Profit
for the Year Ended 31 October 2015

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	29,682,997	-	29,682,997
Cost of sales	(17,047,596)	-	(17,047,596)
GROSS PROFIT	12,635,401	-	12,635,401
Administrative expenses	(4,460,526)	-	(4,460,526)
Other operating income	47,437	-	47,437
OPERATING PROFIT	8,222,312	-	8,222,312
Interest receivable and similar income and	289,850	-	289,850
PROFIT BEFORE TAXATION	8,512,162	-	8,512,162
Tax on profit	(1,876,796)	-	(1,876,796)
PROFIT FOR THE FINANCIAL YEAR	6,635,366	-	6,635,366
Profit attributable to: Owners of the parent			6,635,366