FAAC (UK) Limited

Report and Financial Statements

Year Ended

31 December 2015

Company Number 01875607

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COMPANIES HOUSE

FAAC (UK) Limited

Company Information

Directors	A Marcellan (resigned 18 January 2016) W Walker J Malacarne (appointed 18 January 2016) E Galloni (appointed 18 January 2016) E Nardi (appointed 18 January 2016)
Company secretary	Clarks Nominees Limited
Registered number	01875607
Registered office	Unit 10 The Hatch Industrial Park Basingstoke Hampshire RG24 7NG
Independent auditors	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL
Bankers	Natwest Basingstoke Hampshire RG21 7NS

FAAC (UK) Limited

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FAAC (UK) Limited

Strategic Report
For the Year Ended 31 December 2015

Introduction
The directors present their Strategic report for the year ended 31 December 2015.

Business review
The principal activities of the company are the distribution of automation systems for doors, gates, turnstiles and barriers and the provision and maintenance of revenue parking systems.

The company operates two business units, one in the access automation sector and the other in the parking sector.

The Access Automation unit delivered good growth in the year and the Parking unit showed a small revenue increase. Profitability was affected by £186,988 of bad debt but underlying operating result was robust. Prospects for 2016 are good for both business units.

Principal risks and uncertainties
The principle risks and uncertainties that face the group are broadly competitive and financial.

Financial key performance indicators
The company's key financial and other performance Indicators during the year were as follows

	2015 £'000	2014 £'000	Change %
Turnover			
Access Automation	9,458	8,983	5
Parking	4,515	4,468	1
Total	13,973	13,451	4
Operating profit	1,864	2,032	(8)
Profit after tax	1,358	1,591	(15)
Shareholder's funds	5,548	4,190	32
Current assets as a % of current liabilities	159%	127%	25
Average number of employees	71	69	3

Turnover in the Access Automation business unit continued to grow at a healthy rate of 5%; this was supported by the Parking business unit showed a 1% increase in turnover. Gross Profit grew by 4% but operating profits reduced due to a small increase in administration cost and an exceptional bad debt.

Shareholders' funds increased in line with retained profit during 2015.

The ratio of current assets to current liabilities improved throughout the year.

The average number of employees remains stable.

Competitive risks

In the Parking business unit there is a risk to the renewal of maintenance contracts, when a customer goes to tender for replacement / renewal of the parking system.

In the Access Automation business unit there is a competitive market and risks are associated with the continued supply of innovative and reliable products that meet market demand.

Financial Risks

Controls are in place to manage debts with clients, but on occasion, a bad debt is incurred due to matters beyond our control.

Employment of disabled persons

Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitude and abilities. Disabled employees receive appropriate training to promote their career development within the group. Employees who become disabled are retained in their existing posts where applicable or retrained for suitable alternative posts.

Employee Information

Regular meetings are held between senior management and employee representatives to discuss matters of concern. Employees are kept well-informed about progress and position of the group by means of regular departmental meetings.

This report was approved by the board on 7 April 2016 and signed on its behalf by.

W Walker
Director

FAAC (UK) Limited

Directors' Report
For the Year Ended 31 December 2015

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

A review of the business including employee information, principle risks and uncertainties and key performance indicators are not shown in the Directors report as this information is included in the Strategic report under S414C(11) of the Companies Act 2006.

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 satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

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

Results and dividends

The profit for the year, after taxation, amounted to £1,363,287 (2014 - £1,591,972).

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

Directors

The directors who served during the year were:

A Marcellan (terminated 18 January 2016)
W Walker
J Malacarne (appointed 18 January 2016)
E Galloni (appointed 18 January 2016)
E Nardi (appointed 18 January 2016)

Future developments

The directors forecast continued growth in Access Automation and have broadened the company's Parking portfolio to address challenging trading conditions in this sector.

FAAC (UK) Limited

Directors' Report
For the Year Ended 31 December 2015

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 7 April 2016 and signed on its behalf by.

W Walker
Director

FAAC (UK) Limited

Independent Auditor's report to the members of FAAC (UK) Limited
For the Year Ended 31 December 2015

To the members of FAAC (UK) Limited

We have audited the financial statements of FAAC (UK) Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the balance sheet, 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 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC'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 FRC'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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's report to the members of FAAC (UK) Limited
For the Year Ended 31 December 2015

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.

BDO LLP

Arbinder Chatwal (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Southampton
United Kingdom
Date 07/04/16

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FAAC (UK) Limited

Statement of Comprehensive Income
For the Year Ended 31 December 2015

	Note	2015 £	2014 £
Turnover	3	**13,973,434**	13,451,166
Cost of sales		**(7,178,203)**	(6,927,967)
Gross profit		**6,795,231**	6,523,199
Distribution costs		**(462,333)**	(454,345)
Administrative expenses		**(4,469,141)**	(4,036,466)
Operating profit	4	**1,863,757**	2,032,388
Interest receivable and similar income	7	**5,350**	8,293
Profit on ordinary activities before taxation		**1,869,107**	2,040,681
Taxation on profit on ordinary activities	8	**(510,981)**	(448,709)
Total comprehensive income for the year		**1,358,126**	1,591,972

The notes on pages 11 to 22 form part of these financial statements.

FAAC (UK) Limited

Registered number:01875607

Balance Sheet
As at 31 December 2015

	Note		2015 £		2014 £
Fixed assets					
Intangible assets	9		**100,024**		500,119
Tangible assets	10		**269,847**		294,586
Investments	11		**1,961,448**		2,165,148
			2,331,319		2,959,853
Current assets					
Stocks	12	**1,266,135**		1,470,945	
Debtors	13	**4,278,860**		3,865,314	
Cash at bank and in hand		**3,140,274**		1,371,237	
		8,685,269		6,707,496	
Creditors: Amounts falling due within one year	14	**(5,468,260)**		(5,273,447)	
Net current assets			**3,217,009**		1,434,049
Total assets less current liabilities			**5,548,328**		4,393,902
Creditors: Amounts falling due after more than one year	15		**-**		(203,700)
			5,548,328		4,190,202
Net assets					
Capital and reserves					
Called up share capital	17		**100,000**		100,000
Profit and loss account			**5,448,328**		4,090,202
			5,548,328		4,190,202

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

7 April 2016.

W Walker
Director

The notes on pages 11 to 22 form part of these financial statements.

FAAC (UK) Limited

Statement of Changes in Equity
As at 31 December 2015

	Share capital £	Retained earnings £	Total equity £
At 1 January 2015	**100,000**	**4,090,202**	**4,190,202**
Comprehensive income for the year			
Profit for the year	**-**	**1,358,126**	**1,358,126**
At 31 December 2015	**100,000**	**5,448,328**	**5,548,328**

The notes on pages 11 to 22 form part of these financial statements.

FAAC (UK) Limited

Statement of Changes in Equity
As at 31 December 2014

	Share capital £	Retained earnings £	Total equity £
At 1 January 2014	**100,000**	**3,498,230**	**2,598,230**
Comprehensive income for the year			
Profit for the year	**-**	**1,591,972**	**1,591,972**
Distributions to owners			
Dividends	**-**	**(1,000,000)**	**(1,000,000)**
At 31 December 2014	**100,000**	**4,090,202**	**4,190,202**

The notes on pages 11 to 22 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 December 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with 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 first-time adoption of FRS 102 is given in note 21.

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 2).

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 – reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

This information is included in the consolidated financial statements of FAAC SpA as at 31 December 2015 and these financial statements may be obtained from Camera di Commercio Industria Agricoltura e Artganato, Uffigio Imprese, Piazza della Constituzione, 40100 Bologna, Italy.

1.3 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.

1.4 Intangible assets - Goodwill

Goodwill represents the excess of the cost of a business combination over the fair value of the company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight-line method to its estimated useful life.

Estimates of the useful economic life of goodwill are based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

1. Accounting Policies (continued)

1.5 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.

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. The estimated useful lives range as follows:

Plant and machinery	-	6% - 40% straight line
Motor Vehicles	-	25% - 50% straight line
Fixtures and fittings	-	6% - 33% straight line

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

1.6 Impairment of goodwill and fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.8 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 first in, first out 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.

1.9 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.

1. Accounting Policies (continued)

1.10 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.

1.11 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.

1.12 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.

1. Accounting Policies (continued)

1.13 Foreign currency translation

Functional and presentation currency
Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in 'sterling', which is the company's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

1.14 Pensions

Contributions to the company's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

1.15 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.

1.16 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

1.17 Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

1. Accounting Policies (continued)

1.18 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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 reporting date in the countries where the company's subsidiaries operate and generate taxable income.

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

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Notes to the Financial Statements
For the Year Ended 31 December 2015

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

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company as a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

- Determine whether there are indicators of impairment of the company's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 9)

  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3. Analysis of turnover

Turnover is attributable to the one principal activity of the company in the year ended 31 December 2015 3% (2014: 3%) of turnover was to markets outside the UK.

4. Operating profit

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

	2015 £	2014 £
Depreciation of tangible fixed assets	**103,546**	82,141
Amortisation of goodwill	**400,095**	400,095
Operating lease expense	**290,377**	334,615
Fees payable to the company's auditor and its associates for the audit of the Company's annual accounts	**15,000**	13,500
Fees payable to the company's auditor and its associates in respect of non-audit services	**8,250**	7,400
Defined contribution pension cost	**45,473**	46,129

Notes to the Financial Statements
For the Year Ended 31 December 2015

5. Employees

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	**2,279,641**	2,130,682
Social security costs	**254,893**	242,956
Cost of defined contribution scheme	**45,473**	46,129
	2,580,007	2,419,767

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

	2015 No.	2014 *No.*
Technical	**39**	36
Distribution	**4**	4
Administration	**29**	29
	72	69

6. Directors' remuneration

	2015 £	2014 £
Directors' emoluments	**126,424**	123,810
Company contributions to defined contribution pension schemes	**27,718**	46,129
	154,952	169,939

During the year retirement benefits were accruing to 1 director (2014 - 1) in respect of defined contribution pension schemes.

7. Interest receivable

	2015 £	2014 £
Other interest receivable	**5,350**	8,293

8. Taxation

Corporation tax	2015 £	2014 £
Current tax on profits for the year	**481,407**	520,833
Adjustment in respect of previous periods	**29,574**	(72,124)
Taxation on profit on ordinary activities	**510,981**	448,709

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	**1,869,107**	2,040,681
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 - 21.49%)	**378,494**	438,607
Effects of:		
Expenses not deductible for tax purposes	**91,288**	88,149
Depreciation for year in excess of / (less than) capital allowances	**8,669**	(5,461)
Utilisation of tax losses		
Adjustments to tax charge in respect of prior periods	**29,574**	(72,124)
Other timing differences		
Other differences leading to an increase/(decrease) in the tax charge	**2,956**	(462)
Total tax charge for the year	**510,981**	448,709

9. Intangible assets

	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	**1,700,403**
Amortisation	
At 1 January 2015	**1,200,284**
Charge for the year	**400,095**
At 31 December 2015	**1,600,379**
Net book value	
At 31 December 2015	**100,024**
At 31 December 2014	500,119

Goodwill arising on the acquisition of Zeag Parking Limited is being amortised evenly over the directors' estimate of its useful economic life of 4 years and 3 months. The estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units at the acquisition date to which the goodwill is attributed, any legal, regulatory or contractual provision that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

10. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2015	**129,396**	**157,568**	**271,457**	**558,421**
Additions	**3,107**	**66,125**	**18,125**	**87,357**
Disposals	**-**	**(54,587)**	**(8,070)**	**(62,657)**
At 31 December 2015	**132,503**	**169,106**	**281,512**	**583,121**
Depreciation				
At 1 January 2015	**83,280**	**60,280**	**120,275**	**263,835**
Charge owned for the period	**8,162**	**54,230**	**41,154**	**103,546**
Disposals	**-**	**(46,037)**	**(8,070)**	**(54,107)**
At 31 December 2015	**91,442**	**68,473**	**153,359**	**313,274**
At 31 December 2015	**41,061**	**100,633**	**128,153**	**269,847**
At 31 December 2014	46,116	97,288	151,182	294,586

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2015 and 31 December 2015	**2,802,068**
Impairment	
At 1 January 2015	**636,920**
Charge for the year	**203,700**
At 31 December 2015	**840,620**
At 31 December 2015	**1,961,448**
At 31 December 2014	2,165,148

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Door and Shutter Services (Glasgow) Limited ("DSS")	Scotland	Ordinary	70%	Automatic door supplier

The aggregate of the share capital and reserves as at 31 December 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Loss £
Door and Shutter Services (Glasgow) Limited ("DSS")	129,206	94,704

In 2012 the company acquired 70% of the issued share capital of DSS. Under the terms of the sale and purchase agreement the company also entered into matching put and call options over the remaining 30% at an option price that is dependent on the future financial performance of DSS. The company has therefore accounted for the acquisition of 100% of DSS, with the estimated option price treated as contingent deferred consideration. This deferred consideration has been impaired by £203,700 in the year.

Notes to the Financial Statements
For the Year Ended 31 December 2015

12. Stocks

	2015	2014
	£	£
Finished goods and goods for resale	1,266,135	1,470,945

13. Debtors

	2015	2014
	£	£
Trade debtors	2,752,638	2,684,735
Amounts owed by group undertakings	1,343,207	1,011,365
Other debtors	7,645	-
Prepayments and accrued income	175,370	169,214
	4,278,860	3,865,314

14. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	296,765	231,438
Amounts owed to group undertakings	3,578,784	3,388,825
Corporation tax	206,407	233,981
Taxation and social security	802,735	747,621
Accruals and deferred income	583,569	671,582
	5,468,260	5,273,447

15. Creditors: Amounts falling due within one year

	2015	2014
	£	£
Deferred contingent consideration (note 11)	-	203,700

16. Financial instruments

	2015 £	2014 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	**4,103,490**	3,696,100
	4,103,490	3,696,100
Financial liabilities		
Financial liabilities measured at amortised cost	**(3,875,549)**	(3,620,263)
	(3,875,549)	(3,620,263)

Financial assets measured at amortised cost comprise trade debtors, amounts owed to group undertakings and other debtors.

Financial Liabilities measured at amortised cost comprise trade creditors, amounts owed from group undertakings and other creditors.

17. Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	**100,000**	100,000

18. Pension commitments

The pension cost charge represents contributions payable by the company to employee's own schemes which amounted to £45,473 (2014: £46,129). Contributions totalling £20,619 (2014: £18,893) were payable at the balance sheet date and are included in creditors.

19. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	**268,933**	286,578
Later than 1 year and not later than 5 years	**926,690**	949,048
Later than 5 years	**1,803,821**	2,034,096
	2,999,444	3,269,722

20. Related party transactions

During 2015 FAAC made sales of £456,743 (2014: £416,714) to DSS, a subsidiary company, and made purchases of £1,190 (2014: £10,218) from DSS. At 31 December 2015 a balance of £828,772 (31 December 2014: £752,149) was due from DSS. During 2015 a loan of £500,000 was provided to DSS which remained outstanding as at 31 December 2015.

Key management personnel include all directors across the company who together have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £154,952 (2014: £169,939).

21. Controlling party

The directors consider that the company's immediate and ultimate parent company is FAAC SpA, which is registered in Italy.

FAAC SpA, is the parent company for the largest and smallest group of which this company is a members and for which group accounts are prepared. FAAC SpA lodges the group accounts with Camera di Commercio Industria Agricoltura e Artganto, Uffigo Imprese, Plazza della Constituzione, 40110 Bologna, Italy.

The directors consider the company's controlling party to be the Archdiocese of Bologna, Italy.

22. 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.