Registration number: 05849921

Extract Technology Limited

Financial Statements

for the Year Ended 31 December 2016

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Extract Technology Limited

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Extract Technology Limited

Company Information

Directors	R J Giromini B L Yeagy
Company secretary	E J Roth / Sisec Limited
Registered office	Bradley Junction Industrial Estate Leeds Road Huddersfield West Yorkshire HD1 2UR
Bankers	HSBC plc 2 Cloth Hall Street Huddersfield West Yorkshire HD1 2ES
Auditors	Ernst & Young LLP Statutory Auditor 1 Bridgewater Place Water Lane Leeds West Yorkshire LS11 5QR

Extract Technology Limited

Strategic Report for the Year Ended 31 December 2016

The directors present their Strategic Report for the year ended 31 December 2016.

Fair review of the business
The principal activity of the Company is the manufacture and supply of containment and aseptic systems for the pharmaceutical, chemical and biotech markets.

Throughout 2016 Extract Technology Limited continued to expand its sales operations into new and existing geographical territories and achieved year on year increased sales of over 9%. Both the European and the rest of world markets showed strong growth of 20% and 97% respectively.

This growth which was seen in both established and emerging markets was supported by the strong Extract Technology brand and a network of local agent support.

In addition a specific relationship built up over recent years with a key global pharmaceutical manufacturer continued to support sales and resulted in the business supplying equipment to a number of its sites around the world.

The pharmaceutical equipment market continued to grow through 2016, aligned with the growth of the global generic manufacturing market and the demand for increased specialty drugs. Additionally advancements in the oncology and cell therapy market have continued to drive requirements for product protection and sterility assurance.

Through 2016 Extract has continued R&D product development initiatives in relation to these market opportunities and successfully developed and enhanced its own on board bio decontamination system used within the sterilization process, enabling the business to offer a more cost effective solution than previous.

During 2016 the business also successfully launched its SteriPharm Unidirectional range of aseptic isolators aimed at addressing an increase in customer demand, industry drivers and potential changes in legislation

The business has continued to invest in standardisation of its core products and further developed these to support sales with differentiators, enhancements and features which offer benefits to the end user. This has been achieved through learning taken from customer feedback, R&D initiatives and internal continuous improvement activities.

The standardisation initiative aims to complement Extract's mainstream Engineered Solutions products with standard Containment and Aseptic Isolators along with the existing range of standard Downflow booths.

To further support this initiative the business has invested in house staff and worldwide agent training with the focus on providing the necessary products and technical knowledge to compete against global and local competition

These products although competitively priced still carry the strong Extract brand name which is recognised globally. Significantly this initiative also offers shorter lead times and the ability to drive improved efficiencies through the business.

The company is well into its continuous improvement program with specific emphasis being on lean production. This initiative which is underpinned by a change management program encompasses the whole business is aimed at supporting business growth, reducing waste, improving efficiency throughout and strengthening the strong Extract brand through delivering quality products, on time and in full.

Strategic Report for the Year Ended 31 December 2016 (continued)

With the constant challenge to develop its products in line with changing industry demands the business has continued to invest in staff training and development throughout the organization to support sales growth, R&D activities and standardization initiatives.

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

	Unit	2016	2015
Turnover	£'000	8,939	8,194
Research and development expenditure	£'000	167	154

Principal risks and uncertainties

The Company strategy and operation is subject to a number of risks and uncertainties, including exchange rate fluctuations and the stability of the greater macro-economic environment under which all companies operate. However the Board and the management of the Company are fully aware of these factors and they are closely monitored for their impact on present and future operations.

Approved by the Board on 19 September 2017 and signed on its behalf by:

.....
B L Yeagy
Director

Extract Technology Limited

Directors' Report for the Year Ended 31 December 2016

The directors present their report and the audited financial statements for the year ended 31 December 2016.

Directors of the company
The directors who held office during the year were as follows:

R J Giromini

M J Weber (resigned 30 June 2017)

The following director was appointed after the year end:

B L Yeagy (appointed 16 June 2017)

Principal activity
The principal activity of the company is the manufacture and supply of containment systems for the pharmaceutical, chemical and biotech markets.

Results and dividends
The results for the company are set out in the financial statements.

The directors do not recommend the payment of a final dividend.

Future developments
The company continues to look to explore new market regions and develop in those countries.

Research and development
The company will continue its policy of investment in research and development in order to retain a competitive position in the market.

Going concern
After due consideration of all relevant factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Disclosure of information to the auditors
The directors of the company who held office at the date of the approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board on 19 September 2017 and signed on its behalf by:

B L Yeagy
Director

Extract Technology Limited

Statement of Directors' Responsibilities

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent Auditor's Report to the Members of

Extract Technology Limited

We have audited the financial statements of Extract Technology Limited for the year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 18. 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 FRS 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 Statement of Directors' Responsibilities (set out on page 5), 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 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, based on the work undertaken in the course of the audit, 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 has been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of

Extract Technology Limited

.....continued

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

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.

.....

Eddie Diamond (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

1 Bridgewater Place
Water Lane
Leeds
West Yorkshire
LS11 5QR

Date: 22 September 2017

Notes:

The maintenance and integrity of the Extract Technology Limited web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Extract Technology Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	2	8,938,941	8,193,770
Cost of sales		(7,005,842)	(6,559,598)
Gross profit		1,933,099	1,634,172
Administrative expenses		(1,313,583)	(1,280,300)
Operating profit	3	619,516	353,872
Profit before tax		619,516	353,872
Taxation	5	(108,990)	(34,562)
Profit for the financial year		510,526	319,310
Total comprehensive income for the year		510,526	319,310

The above results were derived from continuing operations.

Extract Technology Limited

(Registration number: 05849921)

Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible fixed assets	6	233,970	257,526
Tangible fixed assets	7	1,380,815	1,417,443
Investments	8	1	1
		1,614,786	1,674,970
Current assets			
Stocks	9	682,441	678,182
Debtors	10	4,228,900	2,957,090
Cash at bank and in hand		85,368	491,350
		4,996,709	4,126,622
Creditors: Amounts falling due within one year	11	(2,262,559)	(1,965,682)
Net current assets		2,734,150	2,160,940
Total assets less current liabilities		4,348,936	3,835,910
Provisions for liabilities	12	(13,500)	(11,000)
Net assets		4,335,436	3,824,910
Capital and reserves			
Called up share capital	13	671	671
Profit and loss		4,334,765	3,824,239
Shareholders funds		4,335,436	3,824,910

These financial statements were approved and authorised for issue by the Board on 19 September 2017 and signed on its behalf by:

R J Giromini

Director

B L Yeagy

Director

Extract Technology Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Share capital £	Profit and loss account £	Total £
At 1 January 2016	671	3,824,239	3,824,910
Profit for the year	-	510,526	510,526
Total comprehensive income	-	510,526	510,526
At 31 December 2016	671	4,334,765	4,335,436

	Share capital £	Profit and loss account £	Total £
At 1 January 2015	671	3,504,929	3,505,600
Profit for the year	-	319,310	319,310
Total comprehensive income	-	319,310	319,310
At 31 December 2015	671	3,824,239	3,824,910

The notes on pages 11 to 21 form an integral part of these financial statements.

1 Accounting policies

Extract Technology Limited is a limited liability company incorporated in England and Wales. The Registered Office is Bradley Junction Industrial Estate, Leeds Road, Huddersfield, HD1 2UR.

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation
The financial statements have been prepared in accordance with applicable accounting standards and are prepared in United Kingdom pounds sterling which is the functional currency of the company.

Exemption from preparing group accounts
The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are available from Wabash National Corporation, 1000 Sagamore Parkway South, Lafayette, Indiana, 47905, United States of America.

Consequently, these financial statements cover the company accounts for Extract Technology Limited as an individual entity.

Summary of disclosure exemptions
The company has taken advantage of certain disclosure exemptions available under FRS 102:

The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d) and has not produced a statement of cash flows.

The requirement of Section 33 Related Party Disclosures paragraph 33.7 and has not made disclosures in respect of key management personnel compensation.

The requirement to present certain financial instrument disclosures under Sections 11 and 12.

The company has notified its shareholder who does not object to the use of the disclosure exemptions.

Going concern
After due consideration of all relevant factors, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Judgements
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements: -

The company has entered into leases as a lessee to obtain the use of property, plant and equipment. The classification of such leases as operating or finance lease requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Key sources of estimation uncertainty
The company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual 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. The carrying amount is £233,970 (2015 - £257,526).

Turnover
Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance.Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

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

Goodwill
Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. The directors consider the useful economic life to be 20 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Foreign currency transactions and balances
Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency of the company at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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

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 operates and generates taxable income.

Deferred tax shall be recognised in respect of all timing differences at the reporting date, except as otherwise required by FRS102. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Tangible assets
Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Long leasehold land and buildings	2% straight line basis
Plant and machinery	10%-20% straight line basis
Fixtures and fittings	10% straight line basis
Office equipment	33% straight line basis

Research and development
Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with expected future sales from the related project.

Fixed asset investments
Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock and work in progress
Stock and work in progress is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes material purchase costs on a first-in first-out basis, plus all direct costs and an appropriate proportion of fixed and variable overheads.

Operating leases
Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Pensions
The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charges as interest expense in the profit and loss account.

2 Turnover

Turnover is wholly derived from the company's principal activity. The analysis of the company's revenue for the year by market is as follows:

	2016 £	2015 £
Sales - UK	2,619,966	3,797,923
Sales - Europe	3,363,784	2,799,045
Sales - North America	170,215	183,276
Sales - Rest of world	2,784,976	1,413,526
	8,938,941	8,193,770

3 Operating profit

Operating profit is stated after charging

	2016 £	2015 £
Operating lease expense - plant and machinery	84,295	73,639
Auditors remuneration for the audit of the financial statements	27,068	18,000
Foreign exchange losses	(22,360)	79,867
Loss on sale of tangible fixed assets	-	1,095
Depreciation of tangible fixed assets	80,064	73,982
Amortisation of intangible fixed assets	23,556	23,556
Current year research and development expenditure	69,050	60,873

4 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	7	7
Production	68	58
Sales, marketing and distribution	6	5
	81	70

The aggregate payroll costs were as follows:

	2016 £	2015 £
Wages and salaries	2,757,634	2,488,931
Social security costs	307,358	283,665
Staff pensions	107,641	90,823
	3,172,633	2,863,419

The directors are remunerated by another company in the group. The directors received no remuneration in respect of the services they provided to Extract Technology Limited.

5 Income tax

Tax on profit on ordinary activities

	2016 £	2015 £
Current taxation		
Corporation tax charge	99,512	30,514
Adjustments in respect of previous years	6,978	(5,952)
UK Corporation tax	106,490	24,562
Deferred taxation		
Origination and reversal of timing differences	2,500	10,000
Total deferred taxation	2,500	10,000
Total tax on profit on ordinary activities	108,990	34,562

Factors affecting tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	619,516	353,872
Corporation tax at standard rate	123,903	71,647
Expenses not deductible for tax purposes	17,987	20,565
Adjustment in respect of previous years	6,978	(5,952)
Group relief	(16,431)	(17,405)
Research and Development and Patent Box reliefs	(23,447)	(34,293)
Total tax charge	108,990	34,562

Deferred tax
Deferred tax assets and liabilities included as provisions for liabilities (note 12)

2016	Liability £
Accelerated capital allowances	19,998
Other timing differences	(4,241)
Pension costs	(2,257)
	13,500

2015	Liability £
Accelerated capital allowances	19,526
Other timing differences	(6,285)
Pension costs	(2,241)
	11,000

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. The 2015 Summer Finance Act enacted UK corporation tax reductions to 19% from 1 April 2017 and to 18% from 1 April 2020. The 2016 Finance Act then superseded this, introducing reduction in the UK corporation tax rate to 17% from 1 April 2020.

Accordingly these rates have been applied in the measurements of the deferred tax assets and liabilities at 31 December 2016. Deferred tax has been provided at 17% being the rate at which timing differences are expected to reverse.

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2016	475,420
At 31 December 2016	475,420
Amortisation	
At 1 January 2016	217,894
Amortisation charge	23,556
At 31 December 2016	241,450
Net book value	
At 31 December 2016	233,970
At 31 December 2015	257,526

7 Tangible assets

	Long leasehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2016	1,525,000	211,277	126,840	344,459	2,207,576
Additions	-	9,037	7,869	26,530	43,436
At 31 December 2016	1,525,000	220,314	134,709	370,989	2,251,012
Depreciation					
At 1 January 2016	281,561	160,721	91,550	256,301	790,133
Charge for the year	30,504	15,786	8,357	25,417	80,064
At 31 December 2016	312,065	176,507	99,907	281,718	870,197
Carrying amount					
At 31 December 2016	1,212,935	43,807	34,802	89,271	1,380,815
At 31 December 2015	1,243,439	50,556	35,290	88,158	1,417,443

8 Investments held as fixed assets

	2016	2015
	£	£
Shares in group undertakings and participating interests	1	1

Shares in group undertakings and participating interests	Subsidiary undertakings £
Cost	
At 1 January 2016	1
At 31 December 2016	1
Net book value	
At 31 December 2015 and 31 December 2016	1

The company owns 100% of the ordinary share capital of Extract Technology PTE Ltd, a company incorporated in Singapore whose registered office address is 50 Raffles Places, #06-00 Singapore Land Tower, Singapore 048623. Extract Technology PTE Ltd did not trade during the year.

9 Stocks

	2016	2015
	£	£
Raw materials	273,437	330,289
Work in progress	127,666	52,409
Finished goods	281,338	295,484
	682,441	678,182

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The cost of stocks recognised as an expense in the year amounted to £3,717,844 (2015 - £3,390,679).

An impairment loss of £6,000 (2015 - £24,000 reversed) was recognised in cost of sales against finished goods valuations in the year.

An impairment loss of £2,000 (2015 - £nil) was recognised in cost of sales against raw materials during the year due to obsolete inventories.

10 Debtors

	2016 £	2015 £
Trade debtors	2,079,469	1,231,546
Amounts owed by parent undertakings	570,224	529,803
Amounts recoverable on long term contracts	1,445,425	1,034,687
Other debtors	-	47,881
Prepayments and accrued income	133,782	113,173
	4,228,900	2,957,090

11 Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,357,116	1,177,771
Payments received on account	455,825	468,982
Amounts owed to other group undertakings	-	1,777
Corporation tax	99,512	29,407
Other taxes and social security	80,832	64,309
Other creditors	174,390	169,687
Accruals and deferred income	94,884	53,749
	2,262,559	1,965,682

12 Provisions

	Deferred tax £
At 1 January 2016	11,000
Charged to the profit and loss account	2,500
at 31 December 2016	13,500

13 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	671	671	671	671

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

14 Pension schemes

Defined contribution pension scheme
The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £107,641 (2015 - £90,823).

Contributions totalling £23,760 (2015 - £11,205) were payable to the scheme at the end of the year and are included in creditors.

15 Contingent liabilities

The company had bank guarantees amounting to £532,445 (2015 - £761,525) in place at the balance sheet date relating to advance payment guarantees and performance guarantees.

16 Obligations under leases and hire purchase contracts

Operating leases
The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	72,081	75,075
Later than one year and not later than five years	26,559	75,932
	98,640	151,007

The amount of non-cancellable operating lease payments recognised as an expense during the year was £84,295 (2015 - £73,639).

17 Related party transactions

The company has taken advantage of the exemptions in FRS102 from disclosing transactions with other members of the group.

18 Control

The company is controlled by Wabash UK Holdings Limited. The company is a wholly owned subsidiary of Wabash UK Holdings Limited, a company incorporated in England and Wales. The ultimate controlling party is Wabash National Corporation, a company incorporated in the United States of America. The only group of undertakings of which the Company is a member is the Wabash National Corporation Group. Copies of the financial statements of this group can be obtained from 1000 Sagamore Parkway South, Lafayette, Indiana, 47905, United States of America.