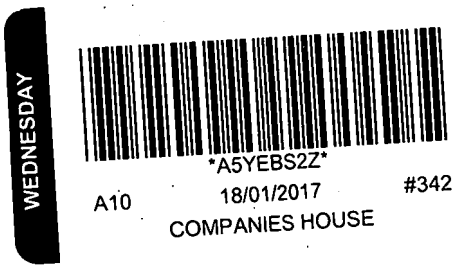
Kingston Smith

Rhino Products Holdings Limited

Annual Report and Consolidated Financial Statements

For the year ended 30 April 2016



Company Registration No. 09566921 (England and Wales)

Rhino Products Holdings Limited

Company Information

Directors	C.A. Boult S. Egerton
Company number	09566921
Registered office	Sixth Avenue Zone 2 Deeside Industrial Park Deeside Flintshire CH5 2LB
Auditors	Kingston Smith LLP The Shipping Building The Old Vinyl Factory Blyth Road Hayes London UB3 1HA
Business address	Sixth Avenue Zone 2 Deeside Industrial Park Deeside Flintshire CH5 2LB

Rhino Products Holdings Limited

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Rhino Products Holdings Limited

Strategic Report

For the year ended 30 April 2016

The directors present the strategic report for the year ended 30 April 2016.

Fair review of the business
The principal business activity of the group throughout the year was that of a manufacturer of roof racks, roof bars and other related accessories for commercial vehicles.

The directors consider the performance in the year to be very good. However, they believe there is scope for further improvement moving forward into the next financial year.

The directors are satisfied with the financial position of the business and the group as a whole as at 30 April 2016 and they expect to continue growing the business in the short, medium & long term future.

Principal risks and uncertainties
The group aims to minimise all reasonable business risks through its internal control mechanisms and safeguards that it operates throughout the group.

The group and its employees work hard to comply with the required standards imposed by:
- Government
- Tax Authorities
- Health & Safety Authorities
- ISO 9001
- TUV

They are committed to minimising such business risks through internal controls and staff training. This also includes any external training that is beneficial for the group.

The directors consider the group's main commercial and financial risks to be:
- Exchange rate fluctuations
- Economic uncertainty due to Brexit
- Competition
- Product development
- Insolvency of customers

The group manages its exchange rate risk by holding a Euro bank account in a subsidiary company.

The group mitigates the risk of competition and product development by supplying a wide variety of high quality products to various markets, catering for a number of different types of customer with bespoke fittings on a wide range of commercial vehicles.

As with any trading group, the group is exposed to the risk of bad debts and potential recoverability issues. The group mitigates this risk by credit checking customers, having credit limits in place along with having a wide spread of customers without an over reliance on any one customer in particular.

Key performance indicators
The directors consider the key financial performance indicators to be turnover and gross profit.

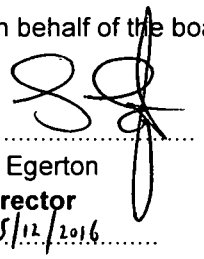
The turnover increased by 16.8% to £11,426,425 this year compared to £9,783,255 in 2015. The gross profit increased to £6,038,274 this year compared to £4,793,949 in 2015. This gross profit increase in value terms of £1,244,325 has been achieved by 1) increased sales in the year and 2) An improved gross margin in the year from 49.0% last year to 52.8% this year. The gross margin change has been achieved in the year through improved efficiency & control over both direct product purchases and direct labour costs.

Future Developments

The directors are optimistic of future growth in the European & USA markets over the coming year. The strong brand name established by Rhino Products Limited in the UK over a number of years along with the continued growth of Rhino Products BV will help to achieve this objective. As part of this continued growth in Europe a new distribution arm has been set up in Sweden to service the Nordic customer base. This will be supported by continued growth and dominance in the UK as the current market leader.

Research and Development will continue to be at the forefront of the business moving forward as the group continues to innovate and bring new high quality products to market.

On behalf of the board



S. Egerton
Director
5/12/2016

Rhino Products Holdings Limited

Directors' Report

For the year ended 30 April 2016

The directors present their annual report and financial statements for the year ended 30 April 2016.

The company was incorporated on 29 April 2015 as part of a reorganisation of the Rhino Products group. These financial statements have been prepared in accordance with the principles of merger accounting. Therefore the financial statements reflect the activity of the group for the year ended 30 April 2016 and include the previous year's balance sheet and activity as comparatives. See accounting policies (note 1) for further details.

Principal activities
The principal activity of the company is that of a holding company. The principal activities of the group continued to be that of a manufacturer and distributor of roof racks, roof bars and other related accessories for commercial vehicles.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C.A. Boult
S. Egerton

Results and dividends
The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £1,000,000. The directors do not recommend payment of a further dividend.

Auditors
Kingston Smith LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Strategic report
The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of research & developments and future developments.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

On behalf of the board

.....
S. Egerton
Director
5/12/2016

Rhino Products Holdings Limited

Directors' Responsibilities Statement

For the year ended 30 April 2016

The directors are responsible for preparing the Annual 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Rhino Products Holdings Limited

Independent Auditors' Report

To the Members of Rhino Products Holdings Limited

We have audited the financial statements of Rhino Products Holdings Limited for the year ended 30 April 2016 which comprise the Group Statement of Total Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows 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 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 annual 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 April 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditors' Report (Continued)

To the Members of Rhino Products Holdings Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Kingston Smith LLP

Mahmood Ramji (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

17 January 2017

Chartered Accountants
Statutory Auditor

The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

Rhino Products Holdings Limited

Group Statement of Total Comprehensive Income

For the year ended 30 April 2016

	Notes	2016 £	2015 £
Turnover	**3**	11,426,425	9,783,255
Cost of sales		(5,388,151)	(4,989,306)
Gross profit		6,038,274	4,793,949
Distribution costs		(1,167,204)	(1,002,907)
Administrative expenses		(2,498,030)	(2,321,604)
Other operating income		55,000	9,492
Operating profit	**4**	2,428,040	1,478,930
Interest receivable and similar income	**8**	58	778
Interest payable and similar charges	**9**	(3,001)	(15,149)
Profit before taxation		2,425,097	1,464,559
Taxation	**10**	(447,281)	(337,300)
Profit for the financial year		1,977,816	1,127,259

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Rhino Products Holdings Limited

Group Balance Sheet

As at 30 April 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Goodwill	**12**		120,730		196,980
Other intangible assets	**12**		296,959		283,209
Total intangible assets			417,689		480,189
Tangible assets	**13**		952,332		853,572
			1,370,021		1,333,761
Current assets					
Stocks	**17**	1,183,062		1,148,930	
Debtors	**18**	1,795,944		1,578,535	
Cash at bank and in hand		996,918		402,030	
		3,975,924		3,129,495	
Creditors: amounts falling due within one year	**19**	(2,090,194)		(2,179,229)	
Net current assets			1,885,730		950,266
Total assets less current liabilities			3,255,751		2,284,027
Creditors: amounts falling due after more than one year	**20**		(12,177)		(28,910)
Provisions for liabilities	**23**		(157,068)		(169,031)
Net assets			3,086,506		2,086,086
Capital and reserves					
Called up share capital	**25**		1,000		1,000
Foreign exchange reserve			11,201		(11,403)
Profit and loss reserves			3,074,305		2,096,489
Total equity			3,086,506		2,086,086

The financial statements were approved by the board of directors and authorised for issue on 5/12/2016. and are signed on its behalf by:

.....

S. Egerton
Director

Rhino Products Holdings Limited

Company Balance Sheet

As at 30 April 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Investments	**14**		17,110		-
Current assets					
Debtors	**18**	4,394		-	
Cash at bank and in hand		185,544		-	
		189,938		-	
Creditors: amounts falling due within one year	**19**	(16,110)		-	
Net current assets			173,828		-
Total assets less current liabilities			190,938		-
Capital and reserves					
Called up share capital	**25**		1,000		-
Profit and loss reserves			189,938		-
Total equity			190,938		-

The financial statements were approved by the board of directors and authorised for issue on 5/12/2016 and are signed on its behalf by:

S. Egerton
Director

Company Registration No. 09566921

Rhino Products Holdings Limited

Group Statement of Changes in Equity

For the year ended 30 April 2016

	Notes	Share capital £	Foreign exchange reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2014		1,000	713	1,869,230	1,870,943
Year ended 30 April 2015:					
Profit and total comprehensive income for the year		-	-	1,127,259	1,127,259
Dividends	**11**	-	-	(900,000)	(900,000)
Foreign exchange movement in period		-	(12,116)	-	(12,116)
Balance at 30 April 2015		1,000	(11,403)	2,096,489	2,086,086
Year ended 30 April 2016:					
Profit and total comprehensive income for the year		-	-	1,977,816	1,977,816
Dividends	**11**	-	-	(1,000,000)	(1,000,000)
Foreign exchange movement in period		-	22,604	-	22,604
Balance at 30 April 2016		1,000	11,201	3,074,305	3,086,506

Rhino Products Holdings Limited

Company Statement of Changes in Equity

For the year ended 30 April 2016

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2014		-	-	-
Year ended 30 April 2015:				
Profit and total comprehensive income for the year		-	-	-
Balance at 30 April 2015		-	-	-
Year ended 30 April 2016:				
Profit and total comprehensive income for the year		-	989,938	989,938
Issue of share capital	**25**	1,000	-	1,000
Dividends		-	(800,000)	(800,000)
Balance at 30 April 2016		1,000	189,938	190,938

Rhino Products Holdings Limited

Group Statement of Cash Flows

For the year ended 30 April 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Cash flows from operating activities					
Cash generated from operations	33		2,544,738		2,014,302
Interest paid			(3,001)		(15,149)
Income taxes paid			(285,943)		(316,537)
Net cash inflow from operating activities			2,255,794		1,682,616
Investing activities					
Purchase of intangible assets		(159,086)		(111,244)	
Purchase of tangible fixed assets		(397,261)		(554,592)	
Proceeds on disposal of tangible fixed assets		122		327,251	
Interest received		58		778	
Net cash used in investing activities			(556,167)		(337,807)
Financing activities					
Repayment of bank loans		(88,007)		(461,140)	
Payment of finance leases obligations		(16,732)		(17,453)	
Dividends paid to equity shareholders		(1,000,000)		(900,000)	
Net cash used in financing activities			(1,104,739)		(1,378,593)
Net increase/(decrease) in cash and cash equivalents			594,888		(33,784)
Cash and cash equivalents at beginning of year			402,030		435,814
Cash and cash equivalents at end of year			996,918		402,030

1 Accounting policies

Company information

Rhino Products Holdings Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Sixth Avenue, Zone 2, Deeside Industrial Park, Deeside, Flintshire, CH5 2LB.

The group consists of Rhino Products Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 30 April 2016 are the first financial statements of Rhino Products Holdings Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 May 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 34.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £989,938.

These accounts have been prepared under merger accounting principles under FRS102: Section 19 – "Business Combinations and Goodwill". Rhino Products Holdings was incorporated on 29 April 2015. On 15 July 2015 the company became the immediate parent of both Rhino Products Limited and Rhino Products BV. There have been no changes in the ultimate shareholders, therefore the business combination and the group reconstruction has been treated as a merger for business combination purposes.

1 Accounting policies **(Continued)**

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Rhino Products Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 April 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 4 years.

1 Accounting policies **(Continued)**

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trademarks and patents	4 - 5 years
Development costs	4 years

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	25% Reducing balance
Plant and equipment	20% Reducing balance & 50% straight line
Fixtures, fittings & computer equipment	20-25% Reducing balance & 20-33% straight line
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Fixed asset investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1 Accounting policies **(Continued)**

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Raw material costs are comprised of the direct cost of material.

Work in progress is comprised of unit cost plus labour costs absorbed in machinery/manufacturing, and absorbed overhead costs.

Finished goods represent the total unit cost of complete products for sale.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.19 Other operating income

Other operating income represents rents and government grants (see 1.17) receivable which are recognised over the period when the right to the income arises.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Depreciation/Amortisation

The annual depreciation and amortisation charges in respect of tangible and intangible fixed assets are based on the director's best estimate of the useful economic lives and residual values of each asset class. The useful economic lives and residual values of each asset class are reassessed annually. Annual impairment reviews are performed on each class of asset to ensure that the carrying values are appropriate.

Slow moving stock

The company makes an estimate of the value of obsolete and slow moving stock lines based on the aging of the stock in hand. Provision is made where the estimated selling price less is less than the original costs.

Debtor recoverability

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors the directors consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. Provision is made when there is sufficient uncertainty over the timing of the recovery of debts.

Deferred tax

Provisions for deferred tax assets and liabilities are made where the timing differences between the recognition of accounting and taxable profits can be assessed with reasonable certainty. Variances are provided for in full where the recognition criteria of FRS102 section 29 are met.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016	2015
	£	£
Turnover		
Sale of goods	11,426,425	9,783,255

3 Turnover and other revenue (Continued)

Other significant revenue		
Grants received	55,000	-

Turnover analysed by geographical market

	2016 £	2015 £
United Kingdom	8,551,641	7,538,160
Europe	2,874,784	2,245,095
	11,426,425	9,783,255

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	1,793	47,007
Depreciation of owned tangible fixed assets	284,770	261,882
Depreciation of tangible fixed assets held under finance leases	10,487	12,316
Loss/(profit) on disposal of tangible fixed assets	3,353	(32,501)
Amortisation of intangible assets	221,587	260,391
Cost of stocks recognised as an expense	5,146,987	4,598,238
Operating lease charges	199,035	176,478

5 Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	2,450	-
Audit of the company's subsidiaries	11,245	13,700
	13,695	13,700

The remuneration for the auditors' of the parent company was bourne by Rhino Products Limited.

6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2016 Number	2015 Number
Manufacturing and distribution	34	31
Research and development	3	4
Administration and management	32	26
	69	61

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	1,708,795	1,472,154
Social security costs	151,431	135,386
Pension costs	52,074	12,835
	1,806,689	1,590,791

7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	68,760	-
Company pension contributions to defined contribution schemes	32,833	-
	101,593	-

The remuneration for the directors' of the parent company was borne by Rhino Products Limited.

The remuneration of key management personnel, who are also directors, was £101,593.

8 Interest receivable and similar income

	2016	2015
	£	£
Interest income		
Interest on bank deposits	-	84
Other interest income	58	694
Total income	58	778
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	-	84

9 Interest payable and similar charges

	2016	2015
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	633	11,913
Interest on finance leases and hire purchase contracts	2,368	3,111
	3,001	15,024
Other finance costs:		
Other interest	-	125
Total finance costs	3,001	15,149

10 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	356,064	195,780
Foreign current tax on profits for the current period	103,180	39,124
Total current tax	459,244	234,904
Deferred tax		
Origination and reversal of timing differences	(11,963)	41,011
Changes in tax rates	-	(6,401)
Adjustment in respect of prior periods	-	67,786
Total deferred tax	(11,963)	102,396
Total tax charge	447,281	337,300

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	2,425,097	1,464,559
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 21.00%)	485,019	307,557
Tax effect of expenses that are not deductible in determining taxable profit	4,971	3,584
Tax effect of income not taxable in determining taxable profit	(496)	-
Unutilised tax losses carried forward	12	-
Effect of change in corporation tax rate	-	(8,708)
Depreciation on assets not qualifying for tax allowances	11,043	285
Research and development tax credit	(41,065)	(19,930)
Deferred tax adjustments in respect of prior years	-	67,786
Patent Box Deductions	(26,940)	(13,012)
Effect of foreign tax rates	14,737	(262)
Tax expense for the year	447,281	337,300

11 Dividends

	2016	2015
	£	£
Interim paid	1,000,000	900,000

12 Intangible fixed assets

Group	Goodwill	Trademarks and patents	Development costs	Total
	£	£	£	£
Cost				
At 1 May 2015	360,000	125,087	706,765	1,191,852
Additions - internally developed	-	-	131,975	131,975
Additions - separately acquired	-	27,111	-	27,111
At 30 April 2016	360,000	152,198	838,740	1,350,938
Amortisation and impairment				
At 1 May 2015	163,020	89,323	459,319	711,662
Amortisation charged for the year	76,250	22,625	122,712	221,587
At 30 April 2016	239,270	111,948	582,031	933,249
Carrying amount				
At 30 April 2016	120,730	40,250	256,709	417,689
At 30 April 2015	196,980	35,764	247,445	480,189

The company had no intangible fixed assets at 30 April 2016 or 30 April 2015.

13 Tangible fixed assets

Group	Leasehold improvements	Plant and equipment	Fixtures, fittings & computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2015	291,181	1,199,975	431,681	85,105	2,007,942
Additions	95,094	190,668	54,736	56,763	397,261
Disposals	-	(3,475)	(741)	-	(4,216)
Exchange adjustments	-	-	906	-	906
At 30 April 2016	386,275	1,387,168	486,582	141,868	2,401,893
Depreciation and impairment					
At 1 May 2015	113,894	736,615	256,863	46,999	1,154,371
Depreciation charged in the year	67,998	146,212	63,449	17,598	295,257
Eliminated in respect of disposals	-	-	(741)	-	(741)
Exchange adjustments	-	-	618	56	674
At 30 April 2016	181,892	882,827	320,189	64,653	1,449,561
Carrying amount					
At 30 April 2016	204,383	504,341	166,393	77,215	952,332
At 30 April 2015	177,287	463,360	174,819	38,106	853,572

The company had no tangible fixed assets assets at 30 April 2016 or 30 April 2015.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £10,487 (2015 - £12,316) for the year.

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Plant and equipment	18,961	23,702	-	-
Motor vehicles	17,241	22,988	-	-
	36,202	46,690	-	-

14 Fixed asset investments

	Notes	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Investments in subsidiaries	15	-	-	17,110	-

15 Subsidiaries

Details of the company's subsidiaries at 30 April 2016 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct	% Held Indirect
Rhino Products Limited	United Kingdom	Production and distribution of roof rack and roof bar systems for trade use	Ordinary	100.00	
Rhino Products BV	The Netherlands	Import and distribution of roof rack and roof bar systems for trade use	Ordinary	100.00	

16 Financial instruments

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,643,370	1,441,328	2,197	-
Equity instruments measured at cost less impairment	-	-	17,110	-
Carrying amount of financial liabilities				
Measured at amortised cost	1,664,781	1,923,519	16,110	-

17 Stocks

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Raw materials and consumables	489,191	504,086	-	-
Work in progress	114,845	108,725	-	-
Finished goods and goods for resale	579,026	536,119	-	-
	1,183,062	1,148,930	-	-

18 Debtors

	Group		Company	
	2016	2015	2016	2015
Amounts falling due within one year:	£	£	£	£
Trade debtors	1,640,323	1,440,478	-	-
Other debtors	3,047	850	2,197	-
Prepayments and accrued income	152,574	137,207	2,197	-
	1,795,944	1,578,535	4,394	-

19 Creditors: amounts falling due within one year

		Group		Company	
		2016	2015	2016	2015
	Notes	£	£	£	£
Bank loans and overdrafts	21	-	88,007	-	-
Obligations under finance leases	22	16,789	16,788	-	-
Trade creditors		1,506,325	1,231,236	-	-
Amounts due to group undertakings		-	-	16,110	-
Corporation tax payable		292,874	119,573	-	-
Other taxation and social security		144,716	165,047	-	-
Other creditors		9,024	376,557	-	-
Accruals and deferred income		120,466	182,021	-	-
		2,090,194	2,179,229	16,110	-

20 Creditors: amounts falling due after more than one year

		Group		Company	
		2016	2015	2016	2015
	Notes	£	£	£	£
Obligations under finance leases	22	12,177	28,910	-	-

21 Loans and overdrafts

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Directors' loans	-	370,203	-	-
Bank loans	-	88,007	-	-
	-	458,210	-	-
Payable within one year	-	546,217	-	-
Payable after one year	-	(88,007)	-	-

22 Finance lease obligations

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	16,789	16,788	-	-
In two to five years	12,177	28,910	-	-
	28,966	45,698	-	-

Finance lease payments represent rentals payable by the group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

23 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2016	Liabilities 2015
	£	£
Accelerated capital allowances	120,272	109,588
Other timing differences	36,796	59,443
	157,068	169,031

The company has no deferred tax assets or liabilities.

23 Deferred taxation (Continued)

Movements in the year:	Group 2016 £	Company 2016 £
Liability at 1 May 2015	169,031	-
Charge to profit or loss	(11,963)	-
Liability at 30 April 2016	157,068	-

24 Retirement benefit schemes

Defined contribution schemes	2016 £	2015 £
Charge to profit or loss in respect of defined contribution schemes	52,074	12,835

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

25 Share capital

Ordinary share capital	2016 £	2015 £
Issued and fully paid		
2,000 Oridinary shares of 50p each	1,000	1,000

On 15 July 2015, 2,000 ordinary shares were issued by the company at par with aggregate nominal value of £1,000.

26 Financial commitments, guarantees and contingent liabilities

The company operates from leased premises and the terms of the lease may require those premises to be returned to the original condition noted on entry. The directors believe that the company has improved the property and maintained the property to a high standard of repair, and as such there is no significant uncertainty over the amount, if any, that may become payable on termination of the lease.

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Within one year	201,498	209,998	-	-
Between two and five years	585,943	744,225	-	-
In over five years	-	43,216	-	-
	787,441	997,439	-	-

28 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Acquisition of property, plant and equipment	-	11,808	-	-

29 Events after the reporting date

Post year end the company declared dividends amounting to £200,000.

30 *Controlling party*

The two directors control the group and company by virtue of a controlling interest of 100% of the issued ordinary share capital.

31 Related party transactions

The company has taken the exemption to disclose related party transactions under the same control in accordance with FRS 102 - Section 33 "Related Party Disclosures".

32 Directors' transactions

Dividends totalling £1,000,000 (2015 - £900,000) were paid in the year in respect of shares held by the company's directors.

As at 30 April 2016, C.A. Boult was owed £nil (2015: £176,410) by the group.

As at 30 April 2016, S. Egerton was owed £nil (2015: £193,793) by the group.

No interest was charged on the above loan balances.

33 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	1,977,816	1,127,259
Adjustments for:		
Taxation charged	447,281	337,300
Finance costs	3,001	15,149
Investment income	(58)	(778)
Loss/(gain) on disposal of tangible fixed assets	3,353	(32,501)
Amortisation and impairment of intangible assets	221,587	260,391
Depreciation and impairment of tangible fixed assets	295,257	274,198
Movement due to foreign exchange	22,372	(11,506)
Movements in working capital:		
(Increase) in stocks	(34,132)	(218,269)
(Increase) in debtors	(217,409)	(48,204)
(Decrease)/increase in creditors	(174,330)	311,263
Cash generated from operations	2,544,738	2,014,302

34 Reconciliations on adoption of FRS 102

The group transitioned to FRS 102 from existing United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) as at 1 May 2014. The impact from the transition is as follows:

Reconciliation of equity - group

		At 1 May 2014			At 30 April 2015		
	Notes	Previous UK GAAP £	Effect of transition £	FRS 102 £	Previous UK GAAP £	Effect of transition £	FRS 102 £
Fixed assets							
Goodwill		273,230	-	273,230	196,980	-	196,980
Other intangibles	i	287,604	68,502	356,106	211,732	71,477	283,209
Tangible assets	i	937,040	(68,502)	868,538	925,049	(71,477)	853,572
		1,497,874	-	1,497,874	1,333,761	-	1,333,761
Current assets							
Stocks		930,661	-	930,661	1,148,930	-	1,148,930
Debtors		1,530,331	-	1,530,331	1,578,535	-	1,578,535
Bank and cash		435,814	-	435,814	402,030	-	402,030
		2,896,806	-	2,896,806	3,129,495	-	3,129,495
Creditors due within one year							
Loans and overdrafts		(775,628)	-	(775,628)	(458,210)	-	(458,210)
Finance leases		(19,819)	-	(19,819)	(16,788)	-	(16,788)
Taxation		(307,025)	-	(307,025)	(284,620)	-	(284,620)
Other creditors		(1,311,298)	-	(1,311,298)	(1,419,611)	-	(1,419,611)
		(2,413,770)	-	(2,413,770)	(2,179,229)	-	(2,179,229)
Net current assets		483,036	-	483,036	950,266	-	950,266
Total assets less current liabilities		1,980,910	-	1,980,910	2,284,027	-	2,284,027
Creditors due after one year							
Finance leases		(43,332)	-	(43,332)	(28,910)	-	(28,910)
Provisions for liabilities							
Deferred tax		(66,635)	-	(66,635)	(169,031)	-	(169,031)
Net assets		1,870,943	-	1,870,943	2,086,086	-	2,086,086

34 Reconciliations on adoption of FRS 102 (Continued)

	At 1 May 2014			At 30 April 2015		
	Previous UK GAAP	Effect of transition	FRS 102	Previous UK GAAP	Effect of transition	FRS 102
Notes	£	£	£	£	£	£
Capital and reserves						
Share capital	1,000	-	1,000	1,000	-	1,000
Own shares reserve	713	-	713	(11,403)	-	(11,403)
Profit and loss	1,869,230	-	1,869,230	2,096,489	-	2,096,489
Total equity	1,870,943	-	1,870,943	2,086,086	-	2,086,086

Reconciliation of group profit for the financial period

	Year ended 30 April 2015		
	Previous UK GAAP	Effect of transition	FRS 102
Notes	£	£	£
Turnover	9,783,255	-	9,783,255
Cost of sales	(4,989,306)	-	(4,989,306)
Gross loss	4,793,949	-	4,793,949
Distribution costs	(1,002,907)	-	(1,002,907)
Administrative expenses	(2,321,604)	-	(2,321,604)
Other operating income	9,492	-	9,492
Operating profit	1,478,930	-	1,478,930
Interest receivable and similar income	778	-	778
Interest payable and similar charges	(15,149)	-	(15,149)
Profit before taxation	1,464,559	-	1,464,559
Taxation	(337,300)	-	(337,300)
Profit for the financial period	1,127,259	-	1,127,259

Notes to reconciliations on adoption of FRS 102 - group

(i) Website development costs

Under previous UK GAAP the company recognised website development costs as a tangible fixed asset. Under FRS 102 they have now been recognised as an intangible fixed asset. The previous depreciation accounted for has been reclassified as amortisation at the same amount, therefore there has been nil effect on the net profit for the company.