

Registration number: 1057974

Nittan Europe Limited

Annual Report and Financial Statements

for the Year Ended 29 February 2016



ARN Audit Ltd, Chartered Certified Accountants & Registered Auditors
Unit 2, 5 Baldwin Street
London
EC1V 9NU

Nittan Europe Limited

Contents

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 8
Profit and Loss Account	9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 23
Non-statutory pages	24 to 26
Detailed Profit and Loss Account	24

Nittan Europe Limited

Company Information

Directors	Yoshiaki Kadokura Hideki Itakura Toru Nakazawa Takayuki Ozaki
Company secretary	Yoshiaki Kadokura
Registered office	Hipley Street Old Woking Surrey GU22 9LQ
Auditors	ARN Audit Ltd, Chartered Certified Accountants & Registered Auditors Unit 2, 5 Baldwin Street London EC1V 9NU

Nittan Europe Limited

Strategic Report for the Year Ended 29 February 2016

The Directors present their strategic report for the year ended 29 February 2016.

Principal activity

The principal activity of the company is Selling and marketing of fire detection products.

Fair review of the business

The results for the period and financial position of the company are as shown in the annexed financial statements.

The total turnover of the company during the year amounted to £7,048,238 (2015 - £7,088,193). The company's profit before tax amounted to £986,979 (2015 - £472,714). As the management has anticipated in the previous period, the company's performance has improved significantly. The management is continuing to review its cost and is also continuously looking at ways to increase the company's customer base. The management anticipates that these steps will help in the improvement of the company's performance further in the coming year.

Shareholders' funds at the year end were £3,477,914 (2015 - £2,460,935).

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

	Unit	2016	2015
Total Turnover	£	£7,048,238	£7,088,193
Profit Before Tax	£	£986,979	£472,714
Shareholders' funds at the year end	£	£3,447,914	£2,460,935

Nittan Europe Limited

Strategic Report for the Year Ended 29 February 2016

Principal risks and uncertainties

Key performance indicators:

The directors regularly review their exposure to key customers. It is the company's intention to further broaden the company's range of customers and its market share both in the UK and abroad. The company therefore continues to invest in developing its product range to meet the market requirements.

The directors manage the company on key indicators including growth and profitability. The directors believe that the company can manage its business risks successfully despite the current uncertain economic outlook.

The Directors continually monitor the company's liquidity in order to ensure that sufficient funds are available for its ongoing operations and further growth. The company has a good record on bad debts and the directors do not consider that it carries any material credit risks.

The company's internal control systems sufficiently ensure that financial management controls apply at all levels of the business. The use of annual budgets and forecasts are operated and investigations are made in areas of adverse expenditures with appropriate management action to correct.

Financial Risk Management Objectives and Policies:

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans. The main purpose of these instruments is to raise funds for the company's operations.

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

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating areas of interest. The company makes use of money market facilities where funds are available.

In respect of loans these comprise loan from group company and loan from financial institution. The interest rate on the loan from financial institution is variable and paid monthly. The interest rate on loan from the group company is fixed and paid monthly. The company manages the liquidity risk by ensuring there are sufficient funds to meet these payments.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

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

Approved by the Board on 29 May 2016 and signed on its behalf by:



Yoshiaki Kadokura
Company secretary and director

Nittan Europe Limited

Directors' Report for the Year Ended 29 February 2016

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

Directors of the Company

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

Yoshiaki Kadokura - Company secretary and director

Hideki Itakura

Koji Saito (Resigned 29 May 2015)

Toru Nakazawa

Takayuki Ozaki

Dividends

The directors recommend a final dividend payment of £Nil be made in respect of the financial year ended 29 February 2016. This dividend has not been recognised as a liability in the financial statements.

Financial instruments

Objectives and policies

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors, trade debtors and loans. The main purpose of these instruments is to raise funds for the company's operations. The company's approach to managing other risks applicable to financial instruments concerned is shown below.

In respect of liquidity risk, the company makes use of money market facilities where funds are available.

In respect of loans these comprise loans from group companies and loans from financial institution; the company manages the liquidity risk by ensuring there are sufficient funds to meet these payments.

Price risk, credit risk, liquidity risk and cash flow risk

Due to the nature of financial instruments used by the company, there is no exposure to price risk.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating areas of interest.

In respect of loans these comprise loan from group company and loan from financial institution. The interest rate on the loan from financial institution is variable and paid monthly. The interest rate on loan from the group company is fixed and paid monthly.

Research and development

During the financial year, the company and the fellow group companies continued to incur further research and development costs to develop more comprehensively packaged product lines in the UK and abroad.

Nittan Europe Limited

Directors' Report for the Year Ended 29 February 2016

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 29 May 2016 and signed on its behalf by:



Yoshiaki Kadokura
Company secretary and director

Nittan Europe Limited

Statement of Directors' Responsibilities

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 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.

Nittan Europe Limited

Independent Auditor's Report

We have audited the financial statements of Nittan Europe Limited for the year ended 29 February 2016, set out on pages 9 to 23. 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).

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 6), 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 to the financial statements.

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 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 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 29 February 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Nittan Europe Limited

Independent Auditor's Report

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

M.B. Natamkar

M.B. Natamkar (Senior Statutory Auditor)

For and on behalf of ARN Audit Ltd, Chartered Certified Accountants & Registered Auditors, Statutory Auditor

Unit 2, 5 Baldwin Street
London
EC1V 9NU

31 May 2016



Nittan Europe Limited

Profit and Loss Account for the Year Ended 29 February 2016

		2016	(As restated) 2015
	Note	£	£
Turnover	3	7,048,238	7,088,193
Cost of sales		<u>(5,210,499)</u>	<u>(5,333,827)</u>
Gross profit		1,837,739	1,754,366
Distribution costs		(31,363)	(24,474)
Administrative expenses		<u>(1,286,822)</u>	<u>(1,385,546)</u>
Operating profit	4	<u>519,554</u>	<u>344,346</u>
Income from shares in group undertakings		471,259	132,952
Interest payable and similar charges	5	<u>(3,834)</u>	<u>(4,584)</u>
		<u>467,425</u>	<u>128,368</u>
Profit before tax		<u>986,979</u>	<u>472,714</u>
Profit for the financial year		<u><u>986,979</u></u>	<u><u>472,714</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 13 to 23 form an integral part of these financial statements.

Nittan Europe Limited

Statement of Comprehensive Income for the Year Ended 29 February 2016

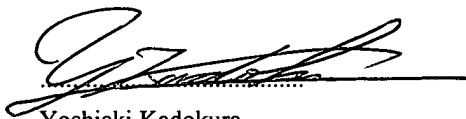
	Note	2016 £	(As restated) 2015 £
Profit for the year		<u>986,979</u>	<u>472,714</u>
Total comprehensive income for the year		<u>986,979</u>	<u>472,714</u>

The notes on pages 13 to 23 form an integral part of these financial statements.

Nittan Europe Limited
(Registration number: 1057974)
Balance Sheet as at 29 February 2016

	Note	2016 £	(As restated) 2015 £
Fixed assets			
Intangible assets	9	75,359	109,854
Tangible assets	10	124,618	114,190
Investments	11	-	93,716
		<u>199,977</u>	<u>317,760</u>
Current assets			
Stocks	12	2,274,509	1,785,701
Debtors	13	1,538,463	1,882,961
Cash at bank and in hand		<u>1,415,839</u>	<u>546,389</u>
		5,228,811	4,215,051
Creditors: Amounts falling due within one year	15	<u>(1,980,874)</u>	<u>(2,071,876)</u>
Net current assets		<u>3,247,937</u>	<u>2,143,175</u>
Net assets		<u>3,447,914</u>	<u>2,460,935</u>
Capital and reserves			
Called up share capital	16	1,193,716	1,193,716
Share premium reserve		480,000	480,000
Profit and loss account		<u>1,774,198</u>	<u>787,219</u>
Total equity		<u>3,447,914</u>	<u>2,460,935</u>

Approved and authorised by the Board on 29 May 2016 and signed on its behalf by:



Yoshiaki Kadokura
Company secretary and director

Nittan Europe Limited

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

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 March 2015	1,193,716	480,000	787,219	2,460,935
Profit for the year	-	-	986,979	986,979
Total comprehensive income	-	-	986,979	986,979
At 29 February 2016	<u>1,193,716</u>	<u>480,000</u>	<u>1,774,198</u>	<u>3,447,914</u>
	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 March 2014	1,193,716	480,000	314,505	1,988,221
Profit for the year	-	-	472,714	472,714
Total comprehensive income	-	-	472,714	472,714
At 28 February 2015	<u>1,193,716</u>	<u>480,000</u>	<u>787,219</u>	<u>2,460,935</u>

The notes on pages 13 to 23 form an integral part of these financial statements.

Nittan Europe Limited

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

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:

Hipley Street
Old Woking
Surrey
GU22 9LQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the Company's activities.

Tangible assets

Tangible assets is stated in the statement of financial position 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 charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	2% p.a. straight line basis
Plant and machinery	10 - 20% p.a. reducing balance basis
Computers	50% p.a. straight line basis
Tools and jigs	20% p.a. straight line basis

Nittan Europe Limited

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

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Deferred development cost	Over 8 years straight line basis

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Nittan Europe Limited

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2016	2015
	£	£
Sale of goods	<u>7,048,238</u>	<u>7,088,193</u>

Nittan Europe Limited

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

4 Operating profit

Arrived at after charging/(crediting)

	2016	2015
	£	£
Depreciation expense	28,149	23,522
Amortisation expense	34,495	43,358
Research and development cost	160,144	259,208
Operating lease expense - plant and machinery	<u>36,229</u>	<u>39,125</u>

5 Interest payable and similar charges

	2016	2015
	£	£
Interest on bank overdrafts and borrowings	3,622	3,535
Interest expense on other finance liabilities	<u>212</u>	<u>1,049</u>
	<u>3,834</u>	<u>4,584</u>

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016	(As restated) 2015
	£	£
Wages and salaries	863,787	886,532
Social security costs	39,683	57,791
Pension costs, defined contribution scheme	44,256	39,286
Other employee expense	<u>59,182</u>	<u>31,329</u>
	<u>1,006,908</u>	<u>1,014,938</u>

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

	2016	2015
	No.	No.
Production	13	13
Other departments	<u>14</u>	<u>14</u>
	<u>27</u>	<u>27</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016	2015
	£	£
Remuneration	<u>183,497</u>	<u>198,505</u>

Nittan Europe Limited

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

8 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	8,000	8,920

9 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 March 2015	625,774	625,774
At 29 February 2016	625,774	625,774
Amortisation		
At 1 March 2015	515,920	515,920
Amortisation charge	34,495	34,495
At 29 February 2016	550,415	550,415
Carrying amount		
At 29 February 2016	75,359	75,359
At 28 February 2015	109,854	109,854

10 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 March 2015	73,213	194,113	736,856	1,004,182
Additions	-	24,454	16,005	40,459
Disposals	-	-	(7,900)	(7,900)
At 29 February 2016	73,213	218,567	744,961	1,036,741
Depreciation				
At 1 March 2015	57,956	157,553	674,483	889,992
Charge for the year	1,464	10,280	16,405	28,149
Eliminated on disposal	-	-	(6,018)	(6,018)
At 29 February 2016	59,420	167,833	684,870	912,123

Nittan Europe Limited

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

	Land and buildings £	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Carrying amount				
At 29 February 2016	13,793	50,734	60,091	124,618
At 28 February 2015	15,257	36,560	62,373	114,190

11 Investments in subsidiaries, joint ventures and associates

	2016 £	2015 £
Investments in associates	-	93,716
Associates		£
Cost		
At 1 March 2015		93,716
Disposals		(93,716)
At 29 February 2016		-
Provision		
Carrying amount		
At 29 February 2016		-
At 28 February 2015		93,716

12 Stocks

	2016 £	2015 £
Other inventories	2,274,509	1,785,701

13 Debtors

	Note	2016 £	2015 £
Trade debtors		1,444,011	1,441,365
Amounts owed by related parties	20	11,390	291,569
Other debtors		76,849	147,368
Prepayments		6,213	2,659
Total current trade and other debtors		1,538,463	1,882,961

Nittan Europe Limited

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

14 Cash and cash equivalents

	2016 £	2015 £
Cash on hand	1,499	1,137
Cash at bank	1,414,340	545,252
	1,415,839	546,389

15 Creditors

		2016 £	(As restated) 2015 £
Due within one year			
Loans and borrowings	17	200,000	228,000
Trade creditors		220,700	400,488
Amounts due to related parties	20	1,399,128	1,357,149
Social security and other taxes		22,775	21,357
Outstanding defined contribution pension costs		7,150	3,133
Other payables		34,995	7,952
Accrued expenses		96,126	53,797
		1,980,874	2,071,876

16 Share capital

Allotted, called up and fully paid shares

	2016		2015	
	No.	£	No.	£
Ordinary of £1 each	1,193,716	1,193,716	1,193,716	1,193,716

17 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Bank borrowings	200,000	228,000

18 Dividends

The directors are proposing a final dividend of £Nil (2015 - £Nil) per share totalling £Nil (2015 - £Nil). This dividend has not been accrued in the Balance Sheet.

Nittan Europe Limited

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

19 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2015 - £Nil).

20 Related party transactions

Summary of transactions with parent

Nittan Company Ltd

During the year, the company purchased goods and other services totalling £50,901 (2015 - £83,705) from Nittan Company Ltd and sold goods and other services totalling £50,954 (2015 - £71,634) to that company. In addition, £10,056 (2015 - £13,846) of royalty payments were due to be paid to Nittan Company Ltd for the sale of certain agreed royalty products in certain agreed royalty regions.

During the year, the company repaid £150,000 of the loan from Nittan Company Ltd and paid loan interest of £212 (2015 - £1,049) to Nittan Company Ltd.

Summary of transactions with subsidiaries

Nittan Electronics Co Ltd

During the year, the company purchased goods and other services totalling £nil (2015 - £nil) from Nittan Electronics Co., Ltd. The company sold goods and other services totalling £932 (2015 - £7,573) to that company.

Nittan Fire Protection (Zhong Shan) Company Ltd

During the year, the company purchased goods and other services totalling £4,895,365 (2015 - £3,953,039) from Nittan Fire Protection (Zhong Shan) Company Ltd. The company sold goods and other services totalling £40,518 (2015 - £3,052) to that company.

Summary of transactions with associates

CN Systems AB

During the year, the company purchased goods and other services totalling £nil (2015 - £nil) from CN Systems AB. The company sold goods and other services totalling £66,145 (2015 - £740,223) to that company. Nittan Europe Ltd previously owned 50% of shareholding in CN Systems AB as a joint venture with Consilium Marine & Safety AB. During the year, this share was sold to Consilium Marine & Safety AB.

CN Scandinavia AB

CN Scandinavia AB became an associate of Nittan Europe Ltd in June 2015. During the year, the company purchased goods and other services totalling £nil from CN Scandinavia AB. The company sold goods and other services totalling £203,552 to that company.

Nittan Europe Limited

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

21 Transition to FRS 102

Balance Sheet at 1 March 2014

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	128,412	-	-	128,412
Tangible assets	107,718	-	-	107,718
Investments	93,716	-	-	93,716
	<u>329,846</u>	<u>-</u>	<u>-</u>	<u>329,846</u>
Current assets				
Stocks	1,167,001	-	-	1,167,001
Debtors	1,658,389	-	-	1,658,389
Cash at bank and in hand	154,520	-	-	154,520
	<u>2,979,910</u>	<u>-</u>	<u>-</u>	<u>2,979,910</u>
Creditors: Amounts falling due within one year	<u>(1,321,535)</u>	<u>-</u>	<u>(18,683)</u>	<u>(1,340,218)</u>
Net current assets/(liabilities)	<u>1,658,375</u>	<u>-</u>	<u>(18,683)</u>	<u>1,639,692</u>
Net assets/(liabilities)	<u>1,988,221</u>	<u>-</u>	<u>(18,683)</u>	<u>1,969,538</u>
Capital and reserves				
Called up share capital	1,193,716	-	-	1,193,716
Share premium reserve	480,000	-	-	480,000
Profit and loss account	314,505	-	(18,683)	295,822
Total equity	<u>1,988,221</u>	<u>-</u>	<u>(18,683)</u>	<u>1,969,538</u>

Nittan Europe Limited

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

Balance Sheet at 28 February 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Fixed assets				
Intangible assets	109,854	-	-	109,854
Tangible assets	114,190	-	-	114,190
Investments	<u>93,716</u>	-	-	<u>93,716</u>
	<u>317,760</u>	-	-	<u>317,760</u>
Current assets				
Stocks	1,785,701	-	-	1,785,701
Debtors	1,882,961	-	-	1,882,961
Cash at bank and in hand	<u>546,389</u>	-	-	<u>546,389</u>
	4,215,051	-	-	4,215,051
Creditors: Amounts falling due within one year	<u>(2,055,095)</u>	-	<u>(16,781)</u>	<u>(2,071,876)</u>
Net current assets/(liabilities)	<u>2,159,956</u>	-	<u>(16,781)</u>	<u>2,143,175</u>
Net assets/(liabilities)	<u>2,477,716</u>	-	<u>(16,781)</u>	<u>2,460,935</u>
Capital and reserves				
Called up share capital	1,193,716	-	-	1,193,716
Share premium reserve	480,000	-	-	480,000
Profit and loss account	<u>804,000</u>	-	<u>(16,781)</u>	<u>787,219</u>
Total equity	<u>2,477,716</u>	-	<u>(16,781)</u>	<u>2,460,935</u>

Nittan Europe Limited

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

Profit and Loss Account for the year ended 28 February 2015

Note	As originally reported £	Reclassification £	Remeasurement £	As restated £
Turnover	7,088,193	-	-	7,088,193
Cost of sales	<u>(5,333,827)</u>	<u>-</u>	<u>-</u>	<u>(5,333,827)</u>
Gross profit	1,754,366	-	-	1,754,366
Distribution costs	(24,474)	-	-	(24,474)
Administrative expenses	<u>(1,368,765)</u>	<u>-</u>	<u>(16,781)</u>	<u>(1,385,546)</u>
Operating profit/(loss)	<u>361,127</u>	<u>-</u>	<u>(16,781)</u>	<u>344,346</u>
Income from shares in group undertakings	132,952	-	-	132,952
Interest payable and similar charges	<u>(4,584)</u>	<u>-</u>	<u>-</u>	<u>(4,584)</u>
	<u>128,368</u>	<u>-</u>	<u>-</u>	<u>128,368</u>
Profit/(loss) before tax	<u>489,495</u>	<u>-</u>	<u>(16,781)</u>	<u>472,714</u>
Profit/(loss) for the financial year	<u><u>489,495</u></u>	<u><u>-</u></u>	<u><u>(16,781)</u></u>	<u><u>472,714</u></u>