

**REGISTERED NUMBER: 02955213 (England and Wales)**

**Group Strategic Report, Report of the Directors and  
Consolidated Financial Statements for the Year Ended 31 December 2015  
for  
Warmup PLC**

**THURSDAY**



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**Warmup PLC (Registered number: 02955213)**

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for the Year Ended 31 December 2015**

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**Warmup PLC**  
**Company Information**  
**for the Year Ended 31 December 2015**

**DIRECTORS:**

A.D. Stimpson  
D. Stimpson  
J.B. Stokes  
D F Read  
S D Sheen

**SECRETARY:**

C.F.W. Mathias

**REGISTERED OFFICE:**

702 Tudor Estate  
Abbey Road  
London  
NW10 7UW

**REGISTERED NUMBER:**

02955213 (England and Wales)

**AUDITORS:**

Davis Grant Limited  
Chartered Certified Accountants and  
Statutory Auditors  
Treviot House  
186-192 High Road  
Ilford  
Essex  
IG1 1LR

**Warmup PLC (Registered number: 02955213)**

**Group Strategic Report  
for the Year Ended 31 December 2015**

The directors present their strategic report of the company and the group for the year ended 31 December 2015.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company and the group are as shown in the annexed financial statements. The directors are pleased to report that despite the general economic conditions, the group achieved 15% growth in turnover, 13% growth in gross profit and a pleasing level of overall profitability after continuing to invest in the group's infrastructure.

The directors believe the group continues to be in a good financial position due to its careful management and the retention of all retained earnings within the business. The positive levels of net assets and available funds continue to provide the platform from which to finance the company's expansion of product range and geographical sales areas.

Key financial performance indicators are used to monitor and manage the company and to measure progress towards the group's objectives.

	2015	2014
	%	%
1. Growth in Group Turnover	15	1
2. Growth in Group Gross Profit	13	1
3. Overseas Turnover as % of Total	28	29

Measure:

1.  $(\text{Turnover current} - \text{Turnover comparative}) / \text{Turnover comparative}$
2.  $(\text{Gross Profit current} - \text{Gross Profit comparative}) / \text{Gross Profit comparative}$
3.  $\text{Overseas Turnover} / \text{Total Turnover}$

The change in foreign exchange rates negatively affected the Growth in Group Turnover and Growth in Group Gross Profit as measured in GBP, which otherwise would have been higher.

**FUTURE DEVELOPMENTS**

The company intends to continue expansion by increasing its penetration into overseas markets and by increasing its product range and is investing considerable sums in these endeavours.

**Group Strategic Report  
for the Year Ended 31 December 2015**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties affecting the business include the following:

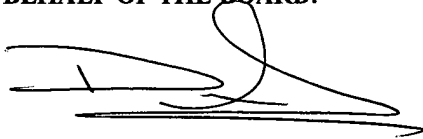
**Environmental concerns:** The directors believe that the group's products are well placed to take advantage of the increased awareness of the importance of energy efficiency and the use of renewable energy sources.

**Overseas market uncertainties:** The directors believe that despite the inherent uncertainties associated with entering any new markets, its product and service level offerings put it in a strong position to exploit these opportunities fully.

**Competitive concerns:** The directors believe that the high quality of the company's product and service delivery enable it to successfully differentiate and protect itself from all competitors, including lower cost competitors.

**Loss of key personnel risk:** The directors continually review the incentive plans to ensure the risk of losing key personnel is reduced. The company also has a broad and strong management team which would mitigate the impact of losing key personnel.

**ON BEHALF OF THE BOARD:**



.....  
D F Read - Director

Date: 27 June 2016

**Warmup PLC (Registered number: 02955213)**

**Report of the Directors  
for the Year Ended 31 December 2015**

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

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of design, manufacture and sale of underfloor heating and related products.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2015.

**RESEARCH AND DEVELOPMENT**

The company makes significant investments in research and development in order to improve existing products, and innovate and invent in related areas.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

A.D. Stimpson  
D. Stimpson  
J.B. Stokes  
D F Read  
S D Sheen

Other changes in directors holding office are as follows:

G P Parsons - resigned 24 July 2015

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**BRANCHES OUTSIDE THE UK**

The company operates a branch in Germany under the name Warmup Heizsysteme.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

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

**Warmup PLC (Registered number: 02955213)**

**Report of the Directors  
for the Year Ended 31 December 2015**

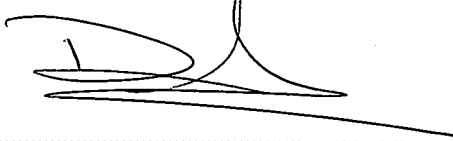
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, Davis Grant Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
D F Read - Director

Date: ..... 27 JUNE 2016 .....

## **Report of the Independent Auditors to the Members of Warmup PLC**

We have audited the financial statements of Warmup PLC for the year ended 31 December 2015 on pages eight to twenty six. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



**Report of the Independent Auditors to the Members of  
Warmup PLC**

**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.

*Davis Grant Ltd*

Barry Chernoff FCA FCCA (Senior Statutory Auditor)  
for and on behalf of Davis Grant Limited  
Chartered Certified Accountants and  
Statutory Auditors  
Treviot House  
186-192 High Road  
Ilford  
Essex  
IG1 1LR

Date: *29<sup>th</sup> June 2016*

Warmup PLC (Registered number: 02955213)

Consolidated Income Statement  
for the Year Ended 31 December 2015

	Notes	2015 £'000	£'000	2014 £'000	£'000
<b>TURNOVER</b>	2		<b>16,645</b>		14,467
Cost of sales			<b>8,266</b>		7,024
<b>GROSS PROFIT</b>			<b>8,379</b>		7,443
Distribution costs		<b>1,251</b>		1,010	
Administrative expenses		<b>6,727</b>		6,098	
			<b>7,978</b>		7,108
<b>OPERATING PROFIT</b>	4		<b>401</b>		335
Interest payable and similar charges	5		<b>37</b>		56
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>364</b>		279
Tax on profit on ordinary activities	6		<b>13</b>		5
<b>PROFIT FOR THE FINANCIAL YEAR</b>			<b>351</b>		274
Profit attributable to:					
Owners of the parent			<b>349</b>		273
Minority interests			<b>2</b>		1
			<b>351</b>		274

The notes form part of these financial statements

**Warmup PLC (Registered number: 02955213)**

**Consolidated Other Comprehensive Income  
for the Year Ended 31 December 2015**

Notes	2015 £'000	2014 £'000
<b>PROFIT FOR THE YEAR</b>	<b>351</b>	274
<b>OTHER COMPREHENSIVE INCOME</b>		
Movement on FX reserves	(12)	(13)
Income tax relating to other comprehensive income	-	-
	<u>          </u>	<u>          </u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<b>(12)</b>	(13)
	<u>          </u>	<u>          </u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>339</b>	261
	<u>          </u>	<u>          </u>
Total comprehensive income attributable to: Owners of the parent	<b>339</b>	261
	<u>          </u>	<u>          </u>

The notes form part of these financial statements

Warmup PLC (Registered number: 02955213)

Consolidated Balance Sheet  
31 December 2015

	Notes	2015 £'000	2014 £'000	2014 £'000
<b>FIXED ASSETS</b>				
Tangible assets	8	532		548
Investments	9	-		-
		<u>532</u>		<u>548</u>
<b>CURRENT ASSETS</b>				
Stocks	10	2,351	1,951	
Debtors	11	3,186	2,690	
Cash at bank and in hand		708	587	
		<u>6,245</u>	<u>5,228</u>	
<b>CREDITORS</b>				
Amounts falling due within one year	12	4,157	3,453	
			<u>3,453</u>	
<b>NET CURRENT ASSETS</b>			<u>2,088</u>	<u>1,775</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,620</u>	<u>2,323</u>
<b>CREDITORS</b>				
Amounts falling due after more than one year	13		(74)	(123)
<b>PROVISIONS FOR LIABILITIES</b>			(47)	(38)
<b>MINORITY INTERESTS</b>			17	17
<b>NET ASSETS</b>			<u>2,516</u>	<u>2,179</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	19	373		373
Share premium	20	587		587
Capital redemption reserve	20	42		42
Retained earnings	20	1,514		1,177
<b>SHAREHOLDERS' FUNDS</b>			<u>2,516</u>	<u>2,179</u>

The financial statements were approved by the Board of Directors on 29 June 2016 and were signed on its behalf by:



.....  
D F Read - Director

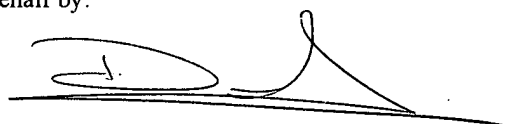
The notes form part of these financial statements

Warmup PLC (Registered number: 02955213)

Company Balance Sheet  
31 December 2015

	Notes	2015 £'000	£'000	2014 £'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		518		532
Investments	9		33		33
			<u>551</u>		<u>565</u>
<b>CURRENT ASSETS</b>					
Stocks	10	1,810		1,589	
Debtors	11	5,609		4,847	
Cash at bank and in hand		465		479	
		<u>7,884</u>		<u>6,915</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	12	3,932		3,271	
			<u>3,952</u>		<u>3,644</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>4,503</u>		<u>4,209</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(74)		(123)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(46)</u>		<u>(38)</u>
<b>NET ASSETS</b>			<u>4,383</u>		<u>4,048</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		373		373
Share premium	20		587		587
Capital redemption reserve	20		42		42
Retained earnings	20		3,381		3,046
<b>SHAREHOLDERS' FUNDS</b>			<u>4,383</u>		<u>4,048</u>

The financial statements were approved by the Board of Directors on 28 June 2016 and were signed on its behalf by:



.....  
D F Read - Director

The notes form part of these financial statements

Warmup PLC (Registered number: 02955213)

Consolidated Statement of Changes in Equity  
for the Year Ended 31 December 2015

	Called up share capital £'000	Retained earnings £'000	Share premium £'000
<b>Balance at 1 January 2014</b>	373	917	587
<b>Changes in equity</b>			
Total comprehensive income	-	260	-
<b>Balance at 31 December 2014</b>	373	1,177	587
<b>Changes in equity</b>			
Total comprehensive income	-	337	-
<b>Balance at 31 December 2015</b>	373	1,514	587

	Capital redemption reserve £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
<b>Balance at 1 January 2014</b>	42	1,919	(17)	1,902
<b>Changes in equity</b>				
Total comprehensive income	-	260	-	260
<b>Balance at 31 December 2014</b>	42	2,179	(17)	2,162
<b>Changes in equity</b>				
Total comprehensive income	-	337	-	337
<b>Balance at 31 December 2015</b>	42	2,516	(17)	2,499

The notes form part of these financial statements

Warmup PLC (Registered number: 02955213)

Company Statement of Changes in Equity  
for the Year Ended 31 December 2015

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Total equity £'000
<b>Balance at 1 January 2014</b>	373	2,813	587	42	3,815
<b>Changes in equity</b>					
Total comprehensive income	-	233	-	-	233
<b>Balance at 31 December 2014</b>	<u>373</u>	<u>3,046</u>	<u>587</u>	<u>42</u>	<u>4,048</u>
<b>Changes in equity</b>					
Total comprehensive income	-	335	-	-	335
<b>Balance at 31 December 2015</b>	<u><u>373</u></u>	<u><u>3,381</u></u>	<u><u>587</u></u>	<u><u>42</u></u>	<u><u>4,383</u></u>

The notes form part of these financial statements

Warmup PLC (Registered number: 02955213)

Consolidated Cash Flow Statement  
for the Year Ended 31 December 2015

	Notes	2015 £'000	2014 £'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(137)	172
Interest paid		(37)	(46)
Tax paid		(11)	(14)
Net cash from operating activities		<u>(185)</u>	<u>112</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(152)</u>	<u>(101)</u>
Net cash from investing activities		<u>(152)</u>	<u>(101)</u>
<b>Cash flows from financing activities</b>			
Movement on invoice financing account		507	37
Loan repayments in year		<u>(49)</u>	<u>-</u>
Net cash from financing activities		<u>458</u>	<u>37</u>
<b>Increase in cash and cash equivalents</b>			
<b>Cash and cash equivalents at beginning of year</b>	2	<u>587</u>	<u>539</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>708</u></u>	<u><u>587</u></u>

The notes form part of these financial statements



Warmup PLC (Registered number: 02955213)

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 December 2015

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

	2015	2014
	£'000	£'000
Profit before taxation	364	279
Depreciation charges	165	179
Foreign exchange differences in reserves	(12)	(24)
Finance costs	37	56
	<u>554</u>	<u>490</u>
Increase in stocks	(400)	(163)
(Increase)/decrease in trade and other debtors	(494)	49
Increase/(decrease) in trade and other creditors	203	(204)
	<u>203</u>	<u>(204)</u>
<b>Cash generated from operations</b>	<b>(137)</b>	<b>172</b>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2015

	31/12/15	1/1/15
	£'000	£'000
Cash and cash equivalents	<u>708</u>	<u>587</u>

Year ended 31 December 2014

	31/12/14	1/1/14
	£'000	£'000
Cash and cash equivalents	<u>587</u>	<u>539</u>

The notes form part of these financial statements

Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The group financial statements consolidate the accounts of Warmup Plc and all its subsidiary undertakings made up to 31 December each year; the group profit and loss account includes the results of all subsidiary undertakings for the period from the date of the acquisition and up to the date of disposal.

Turnover and profits arising on trading between group companies are excluded.

**Turnover**

Turnover is the total amount receivable by the Group for goods and services supplied, excluding VAT.

For installation contracts which are invoiced in advance, the income arising is recognised upon completion of the installation. Costs incurred under these contracts are charged to the profit and loss account upon completion of the installation

**Tangible fixed assets**

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

Improvements to property	- Straight line over the life of the lease
Fixtures and fittings	- 33% on cost
Motor vehicles	- 25% on cost

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Foreign currencies**

Group

The results for overseas undertakings are translated into Sterling at the average rates ruling throughout the period and the balance sheets of overseas undertakings are translated into Sterling at the rates ruling at the balance sheet dates. Exchange differences arising on consolidation are taken directly to reserves.

Company

Assets and liabilities denominated in foreign currencies are converted at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of each transaction. These translation differences are dealt with through the profit and loss account.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

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

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015

1. ACCOUNTING POLICIES - continued

**Share-based payments**

The Company operates a number of equity-settled share-based payment plans. The fair value of the employee services recognised in exchange for the grant of share options is recognised as an expense. For equity-settled share-based payments the total amount to be expensed over the vesting period is determined by reference to their fair value of the share options granted. Fair value is determined by reference to option pricing models, principally the Black-Scholes model.

**Investments**

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

2. TURNOVER

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

An analysis of turnover by geographical market is given below:

	2015 £'000	2014 £'000
United Kingdom	11,910	10,113
Rest of Europe	2,354	2,289
North America	2,351	1,963
Rest of World	30	102
	<u>16,645</u>	<u>14,467</u>

3. STAFF COSTS

	2015 £'000	2014 £'000
Wages and salaries	4,510	4,216
Social security costs	548	554
Other pension costs	24	19
	<u>5,082</u>	<u>4,789</u>

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

	2015	2014
Manufacturing	16	15
Sales & Admin	129	123
	<u>145</u>	<u>138</u>

4. OPERATING PROFIT

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

	2015 £'000	2014 £'000
Other operating leases	285	493
Depreciation - owned assets	168	178
Auditors' remuneration	34	34
Foreign exchange differences	55	(7)
	<u>542</u>	<u>798</u>

**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**4. OPERATING PROFIT - continued**

	<b>2015</b>	2014
	£	£
Directors' remuneration	<b>530,133</b>	506,104
Directors' pension contributions to money purchase schemes	<b>6,033</b>	5,135

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

Money purchase schemes	<b>3</b>	3
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Information regarding the highest paid director is as follows:

	<b>2015</b>	2014
	£	£
Emoluments etc	<b>227,504</b>	218,631
Pension contributions to money purchase schemes	<b>361</b>	241

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	2014
	£'000	£'000
Bank interest	<b>37</b>	56

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	<b>2015</b>	2014
	£'000	£'000
Current tax:		
UK corporation tax	<b>5</b>	7
Deferred tax	<b>8</b>	(2)
Tax on profit on ordinary activities	<b>13</b>	5

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015

6. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	<u>364</u>	<u>279</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21%)	73	59
Effects of:		
Expenses not deductible for tax purposes	6	7
Depreciation in excess of capital allowances	8	10
Effect of enhanced Research and Development deduction	(87)	(68)
Overseas losses not offset	3	-
Deferred tax	<u>10</u>	<u>(3)</u>
Total tax charge	<u>13</u>	<u>5</u>

**Tax effects relating to effects of other comprehensive income**

	Gross £'000	2015 Tax £'000	Net £'000
Movement on FX reserves	<u>(12)</u>	-	<u>(12)</u>
	<u>(12)</u>	-	<u>(12)</u>
		2014	
Movement on FX reserves	<u>(13)</u>	-	<u>(13)</u>
	<u>(13)</u>	-	<u>(13)</u>

7. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £368,308 (2014 - £273,249).

Warmup PLC (Registered number: 02955213)

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015

8. TANGIBLE FIXED ASSETS

<b>Group</b>	<b>Improvements to property £'000</b>	<b>Fixtures and fittings £'000</b>	<b>Motor vehicles £'000</b>	<b>Totals £'000</b>
<b>COST</b>				
At 1 January 2015	389	953	37	1,379
Additions	-	152	-	152
At 31 December 2015	<u>389</u>	<u>1,105</u>	<u>37</u>	<u>1,531</u>
<b>DEPRECIATION</b>				
At 1 January 2015	163	631	37	831
Charge for year	30	138	-	168
At 31 December 2015	<u>193</u>	<u>769</u>	<u>37</u>	<u>999</u>
<b>NET BOOK VALUE</b>				
At 31 December 2015	<u>196</u>	<u>336</u>	<u>-</u>	<u>532</u>
At 31 December 2014	<u>226</u>	<u>322</u>	<u>-</u>	<u>548</u>
<b>Company</b>				
	<b>Improvements to property £'000</b>	<b>Fixtures and fittings £'000</b>	<b>Motor vehicles £'000</b>	<b>Totals £'000</b>
<b>COST</b>				
At 1 January 2015	389	901	37	1,327
Additions	-	155	-	155
At 31 December 2015	<u>389</u>	<u>1,056</u>	<u>37</u>	<u>1,482</u>
<b>DEPRECIATION</b>				
At 1 January 2015	163	595	37	795
Charge for year	30	139	-	169
At 31 December 2015	<u>193</u>	<u>734</u>	<u>37</u>	<u>964</u>
<b>NET BOOK VALUE</b>				
At 31 December 2015	<u>196</u>	<u>322</u>	<u>-</u>	<u>518</u>
At 31 December 2014	<u>226</u>	<u>306</u>	<u>-</u>	<u>532</u>

**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**9. FIXED ASSET INVESTMENTS**

**Company**

	<b>Shares in group undertaking £'000</b>
<b>COST</b>	
At 1 January 2015 and 31 December 2015	<u>33</u>
<b>NET BOOK VALUE</b>	
At 31 December 2015	<u>33</u>
At 31 December 2014	<u>33</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries**

**Warmup Inc**

Country of incorporation: USA

Nature of business: Sale of underfloor heating products

Class of shares:	%
Ordinary	holding 100.00

**Warmup SL**

Country of incorporation: Spain

Nature of business: Sale of underfloor heating products

Class of shares:	%
Ordinary	holding 100.00

**Warmup Inc**

Country of incorporation: Canada

Nature of business: Sale of underfloor heating products

Class of shares:	%
Ordinary	holding 100.00

**Warmup Elektrikli Yerden Isitma Sistemleri Sanayi Ve Ticaret**

Country of incorporation: Turkey

Nature of business: Sale of underfloor heating products

Class of shares:	%
Ordinary	holding 51.00

**Warmup Solutions Limited**

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**9. FIXED ASSET INVESTMENTS - continued**

**Betterbuild Limited**

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 50.00

Betterbuild Limited (04027875) is incorporated and conducts its business in the United Kingdom. It is exempt from audit under section 479A Companies Act 2006.

**10. STOCKS**

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Raw materials	812	201	669	199
Work-in-progress	73	92	73	92
Finished goods	1,466	1,658	1,068	1,298
	<u>2,351</u>	<u>1,951</u>	<u>1,810</u>	<u>1,589</u>

**11. DEBTORS**

	Group		Company	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Amounts falling due within one year:				
Trade debtors	2,700	2,393	2,405	2,131
Other debtors	217	16	158	2
Prepayments	269	281	245	257
	<u>3,186</u>	<u>2,690</u>	<u>2,808</u>	<u>2,390</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	2,801	2,457
	<u>-</u>	<u>-</u>	<u>2,801</u>	<u>2,457</u>
Aggregate amounts	<u>3,186</u>	<u>2,690</u>	<u>5,609</u>	<u>4,847</u>

**Group**

The value of debtors factored and subject to a fixed charge are £2,600,101 (2014 - £1,896,200).

**Company**

The value of debtors factored and subject to a fixed charge are £2,600,101 (2014 - £1,896,200).



**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts (see note 14)	<b>1,828</b>	1,321	<b>1,828</b>	1,321
Trade creditors	<b>1,107</b>	1,156	<b>955</b>	1,032
Tax	<b>10</b>	16	<b>10</b>	16
PAYE	<b>131</b>	115	<b>126</b>	110
VAT	<b>265</b>	217	<b>265</b>	209
Other creditors	<b>35</b>	14	<b>28</b>	13
Accrued expenses	<b>781</b>	614	<b>720</b>	570
	<u><b>4,157</b></u>	<u>3,453</u>	<u><b>3,932</b></u>	<u>3,271</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans (see note 14)	<u><b>74</b></u>	<u>123</u>	<u><b>74</b></u>	<u>123</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year or on demand:				
Bank borrowings	<u><b>1,828</b></u>	<u>1,321</u>	<u><b>1,828</b></u>	<u>1,321</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u><b>74</b></u>	<u>123</u>	<u><b>74</b></u>	<u>123</u>

**15. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

<b>Company</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	<b>14</b>	25
Between one and five years	<b>350</b>	186
In more than five years	<b>127</b>	127
	<u><b>491</b></u>	<u>338</u>

**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	2014	<b>2015</b>	2014
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Bank loans	<b>1,902</b>	1,444	<b>1,902</b>	1,444
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**17. PROVISIONS FOR LIABILITIES**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	2014	<b>2015</b>	2014
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Deferred tax	<b>47</b>	38	<b>46</b>	38
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Group**

	<b>Deferred tax £'000</b>
Balance at 1 January 2015	<b>38</b>
Accelerated capital allowances	<b>9</b>
	<u>          </u>
Balance at 31 December 2015	<b>47</b>
	<u>          </u>

**Company**

	<b>Deferred tax £'000</b>
Balance at 1 January 2015	<b>38</b>
Accelerated capital allowances	<b>8</b>
	<u>          </u>
Balance at 31 December 2015	<b>46</b>
	<u>          </u>

**18. MINORITY INTERESTS**

The company owns 51% of the share capital of Warmup Elektrikli Yerden Isitma Sistemleri Sanayi Ve Ticaret.

This has been consolidated as part of these financial statements with the minority interest shown in both the consolidated profit and loss and balance sheet.

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2015</b>	2014
			<b>£'000</b>	£'000
373,303	Ordinary	£1	<b>373</b>	373
			<u>          </u>	<u>          </u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015

19. CALLED UP SHARE CAPITAL - continued

The company has the following number of ordinary shares issuable under share options:

Enterprise Management Incentive Options

Date of Grant	Number of Ordinary Shares Under Option	Exercise Price	Exercise Period
16/12/2013	2,345	8.50	01/01/2015 to 15/12/2023
16/12/2013	1,155	8.50	01/01/2016 to 15/12/2023

Unapproved share options

Date of Grant	Number of Ordinary Shares Under Option	Exercise Price	Exercise Period
02/07/2013	30,000	8.50	01/01/2015 to 01/07/2023

20. RESERVES

Group

	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Totals £'000
At 1 January 2015	1,177	587	42	1,806
Profit for the year	349			349
Foreign exchange differences transferred to reserves	(12)	-	-	(12)
At 31 December 2015	<u>1,514</u>	<u>587</u>	<u>42</u>	<u>2,143</u>

Company

	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Totals £'000
At 1 January 2015	3,046	587	42	3,675
Profit for the year	369			369
Foreign exchange differences transferred to reserves	(34)	-	-	(34)
At 31 December 2015	<u>3,381</u>	<u>587</u>	<u>42</u>	<u>4,010</u>

**Warmup PLC (Registered number: 02955213)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2015**

**21. POST BALANCE SHEET EVENTS**

Since the year end a new rental lease has been agreed by the group for a 10 year term at £84,000 per annum.

**22. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is A.D. Stimpson.

At the balance sheet date Mr A D Stimpson had a controlling interest of 69.81% of the company's issued share capital (2014-69.81%).

**23. SHARE-BASED PAYMENT TRANSACTIONS**

2003 Discretionary Share Option Scheme, Enterprise Management Incentive Share Option Scheme and Unapproved Share Option Scheme

Options are granted to employees and senior employees at the market price of the Company's ordinary shares.

The options vest from 1 to 3 years following grant date. Options will not vest unless the employee remains in the service of the Company, and that the relevant performance criteria where applicable are met.

Reconciliations of the number and weighted average exercise price by option scheme are presented below.

Number of shares	Discretionary Scheme	EMI	Unapproved Scheme
At 1 January 2015	-	3,500	30,000
Granted	-	-	-
Exercised in the year	-	-	-
Lapsed in the year	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31 December 2015	-	3,500	30,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Exercisable at 31 December 2015	-	-	-
Weighted average exercise price	Discretionary Scheme	EMI	Unapproved Scheme
At 1 January 2015	-	8.50	8.50
Granted	-	-	-
Exercised in the year	-	-	-
Lapsed in the year	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31 December 2015	-	8.50	8.50
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Exercisable at 31 December 2015	-	-	-