TANFIELD GROUP PLC
REPORT AND FINANCIAL STATEMENTS 2015

Registered in England & Wales

Company number 04061965

REPORT AND FINANCIAL STATEMENTS 2015

SUMMARY OF CONTENTS

DIRECTORS AND ADVISERS

DIRECTORS

NON-EXECUTIVE

J Pither	Chairman	
RRE Stanley	Non executive Director	(resigned 17 November 2015)
M Groak	Non executive Director	
D Robinson	Non executive Director	(appointed 13 November 2015)

SECRETARY
D Robinson

REGISTERED OFFICE AND ADVISORS

REGISTERED OFFICE
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

NOMINATED ADVISOR
WH Ireland
24 Martin Lane
London
EC4R 0DR

AUDITOR
RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP)
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

NOMINATED BROKER
WH Ireland
24 Martin Lane
London
EC4R 0DR

SOLICITOR
Ward Hadaway
Sandgate House
102 Quayside
Newcastle upon Tyne
NE1 3DX

NOMINATED BROKER
Peterhouse Corporate Finance Plc
3rd Floor
New Liverpool House
15 Eldon Street
London
EC2M 7LD

REGISTRAR
Capita IRG Plc
Bourne House
34 Beckenham
Beckenham
Kent
BR3 4TH

STRATEGIC REPORT

CHAIRMAN'S STATEMENT

During the year we have continued to monitor the progress of both investments closely. The Board feels that some progress has been made towards a realisation in value of the investment in Snorkel following further growth in 2015. The Board do not feel that sufficient progress was made by Smith and, following a review of the investment in Smith, decided to impair the investment to a nil value.

NON-EXECUTIVES' REVIEW

Background

The Company is defined as an investment company with two passive investments. This definition resulted from the disposal of Smith Electric Vehicles in 2009 and the disposal of Snorkel in October 2013. Tanfield Group Plc currently owns 5.76% of Smith Electric Vehicles Corp. ("Smith") and 49% of Snorkel International Holdings LLC ("Snorkel").

OVERVIEW

Snorkel

Tanfield continues to own 49% of Snorkel, which it has held since the disposal of the business in October 2013. Progress in production continued to be made during 2015 which resulted in sales increasing by approximately 30% compared with 2014. Investment in Snorkel by the current owner since the disposal stands at over $70m. This has allowed the business to make the progress to date and will assist in the continued progress that is targeted for the future.

The Board understands that it is the intention of Snorkel to focus on improving profit margins of its products during 2016 through further procurement synergies and standardisation across the product range as well as efficiency improvements. In March 2016 Ahern Deutschland, the German distributor for Snorkel, opened a new €1.1 million headquarters along with new regional sales appointments in to the European markets which underpins the ambition and drive to increase European market penetration.

Snorkel continues to operate in an aggressive market where competitors are also targeting increased market share but there is no reason why the progress made to date should not continue to be made in to the future. Mr Don Ahern, the owner of Extreme and Ahern Rentals, remains fully committed to Snorkel and has a strong desire to continue to grow and improve the business.

Valuation of Snorkel holding

The Board of Tanfield has taken a view of the carrying value of its 49% holding and its preferred interest holding (Loan note) that takes account of risks in the industrial global markets and the normal cycles that operate within these markets. The range of potential valuation can be broad. The valuation has, to an extent, a time driven element. The agreement for the valuation formula to be triggered is over a five year period. At the end of 2015 there were just under three years left to run on this aspect of the agreement. If the formula is not triggered within the 5 year time frame Tanfield will still retain 49% of the equity. The decision has been made to maintain its valuation of £36.3m ($60.1m, being $43.1m equity holding and $17.0m preferred interest holding). This valuation has been assessed against a number of criteria using discounted cash flow in relation to the sale and purchase agreement and its valuation formula:

- Level of investment in working capital.
- Capital investment.
- Production capacity.
- Order Book.
- Market conditions.
- Historical capability of the business to ramp up output.

The valuation has not been adjusted for foreign currency fluctuations due to the uncertain nature of future foreign currency markets. Based on the exchange rate at 31 December 2015, the $60.1m valuation would convert to £40.7m and based on the exchange rate at 1 June 2016, it would convert to £41.6m. This represents approximately 27p per share.

Smith

In October 2013 Smith completed a restructuring exercise that saw it convert debt to equity. As a result of this, they informed the Company that the equity shareholding went from 24% to 5.76% (excluding warrants).

In May 2015 it executed a conditional agreement to form an exclusive joint venture ("the JV") with strategic partner and investor FDG Electric Vehicles Limited ("FDG"). FDG is an international company listed on the Hong Kong Stock Exchange and is a vertically integrated electric vehicle manufacturer engaged in the R&D, production and distribution of all-electric vehicles. Under the terms of the JV, Smith were to invest the Smith brand, licence for Newton™ EV design and IP while FDG were to invest $15M in cash and $30m in assets, licence for commercial EV design and IP. The New Joint Venture entity was to be responsible for US product development, sales and marketing and Smith were to be responsible for manufacturing and maintain its right to territories outside of the USA.

STRATEGIC REPORT (Continued)

In May 2016, the Board of Tanfield was informed by the Board of Smith that it had filed a complaint against FDG and the New Joint Venture based on fraudulent misstatements that were given that induced Smith to enter into the joint venture. Smith have asked the court to declare the joint venture terminated or rescinded, thereby returning the right to sell its vehicles in the United States along with damages for the financial injury inflicted on Smith.

Following the complaint against FDG, the Smith Board are now focused on the sale and production of its existing vehicles and technology in to the United States and European markets. It will continue to pursue opportunities for license/JV/partner opportunities throughout the Rest Of The World whilst continuing to invest in the development of the next generation vehicle.

In order to implement its plan, the Smith Board are seeking to raise $15m in new funding through a series 'F' financing round. It is unknown at this stage whether this financing will be successful or not.

Valuation of Smith holding

In 2014, the investment in Smith was valued at £4.8m ($7.4m). The Board of Directors have carried out a review of the investment in Smith resulting in a decision to impair the investment value to nil. The Board came to this decision due to the uncertainty around the level of funding required before Smith is able to achieve profitability and become self financing as well as the disruption, costs and delays as a result of the relationship with FDG which the Board acknowledge Smith are now trying to remedy via legal proceedings.

The Board will continue to monitor any progress made by Smith in relation to the investment in Smith and will review the position should significant progress be made in achieving its plans.

Strategy of Tanfield Board of Directors in relation to its Investments

Although the Board cannot predict the timeframe for a return of value in its investment in Snorkel, the Directors believe that its investment will result in a return of value to shareholders over time. At this stage it is uncertain whether its investment in Smith will result in a return of value to shareholders but the Directors will continue to monitor the situation.

The strategy of the Company in relation to these investments is to return as much as possible of any realised value to shareholders as the events occur and circumstances allow, subject to compliance with any legal requirements associated with such distributions.

The Board takes the view that while there has been progress made by Snorkel, there is still a risk of failure. The Board will continue to fulfill its obligation to its shareholders in seeking to optimise the value on its investments.

The Investments are defined as passive investments and in line with this definition Tanfield does not hold Board seats in either Snorkel or Smith. There is no limit on the amount of time the existing Investments may be held by the Company.

Finance income

The interest cost in the period of £54k (2014: £91k) was incurred from loan interest charged during the period and interest income of £1k (2014: £624k) received on deferred consideration and loans with Smith and bank balances.

Taxation

There is no tax charge for the period under review. There is no brought forward deferred tax asset recognised, and none was recognised in the period resulting in no adjustment to deferred tax, consistent with 2014.

Loss from operations

Loss from operations after impairment was £4.4m, (2014: £0.4m), the most significant difference being the £4.8m impairment of the investment in Smith.

Loss per share

Loss per share from continuing operations was 3.1 pence (2014: profit 0.1 pence). No dividend has been declared. (2014: nil)

Cash

At 31 December 2015, the Company had cash of £0.1m (2014: £0.4m).

Approved by the Board of Directors and signed on behalf of the Board

Daryn Robinson
Non-Executive Director
24 June 2016

DIRECTORS' REPORT

The directors submit their report and the financial statements of Tanfield Group PLC for the year ended 31 December 2015.

Tanfield Group Plc is a public listed company incorporated and domiciled in England and quoted on AIM.

PRINCIPAL ACTIVITIES
The company's principal activity is that of an investment company.

RESULTS AND DIVIDENDS
The financial result, for the year to 31 December 2015 reflects the changes to the principal activity of the company to that of an investment company.

Turnover for the year was nil (2014: nil). The operating profit before impairments in the year of £0.4m (2014: £0.4m loss) arose from operating costs.

The balance sheet has slightly reduced compared to the prior year with total assets at the end of the year of £36.5m (2014: £41.6m) caused largely by the write off of the Investment value in Smith Electric. Net Current Assets were £0.1m (2014: £0.4m) with cash balances of £0.1m (2014: £0.4m). Following the £0.4m fundraising completed in March 2016, the directors believe the Company has sufficient working capital to allow it to continue through to the Autumn of 2017 or beyond.

No dividend has been paid or proposed for the year (2014: £nil). The loss of £4.4m (2014: £0.1m profit) has been transferred to reserves.

FINANCIAL INSTRUMENTS
The Company's financial instruments comprise cash, current debtors and current and non current creditors arising from its operations. The principal financial instruments used by the Company are cash balances raised from share issues by the Company. The Company has not established a formal policy on the use of financial instruments but assesses the risks faced by the Company as economic conditions and the Company's operations develop.

RISKS AND UNCERTAINTIES
The business believes it has sufficient cash funds to continue in business for the foreseeable future through to the realisation of value from one of its investments. It recognises that its investments have a level of risk associated with them and is reliant on the continued performance within their respective markets.

DIRECTORS
The present membership of the board is set out on page 2.

All directors have the right to acquire shares in the company via the exercise of options granted under the terms of their service contracts, copies of which may be inspected by shareholders upon written application to the company secretary. Details of the directors' options to acquire shares are set out in the Directors' Remuneration Report on pages 8 to 9.

POLICY ON PAYMENT OF CREDITORS
It is Company policy to agree and clearly communicate the terms of payment as part of the commercial arrangements negotiated with suppliers and then to pay according to those terms based on the timely receipt of an accurate invoice. The company supports the CBI Prompt Payers Code. A copy of the code can be obtained from the CBI at Centre Point, 103 New Oxford Street, London WC1A 1DU.

Trade creditor days based on creditors at 31 December 2015 were 58 days (2014: 67 days).

SUBSTANTIAL SHAREHOLDINGS
On 31 December 2015 the following held substantial shares in the company. No other person has reported an interest of more than 3% in the ordinary shares.

	No.	%
HSBC GLOBAL CUSTODY NOMINEE (UK)	50,575,085	33.51%
CHASE NOMINEES LIMITED	14,772,506	9.79%
RATHBONE NOMINEES LIMITED	12,235,452	8.11%
THE BANK OF NEW YORK (NOMINEES)	12,011,045	7.96%
VIDACOS NOMINEES LIMITED	10,214,172	6.77%
FOREST NOMINEES LIMITED	7,233,086	4.79%
HARGREAVES LANSDOWN (NOMINEES)	6,263,757	4.15%

DIRECTORS' INTEREST IN CONTRACTS
No director had a material interest at any time during the year in any contract of significance, other than a service contract, with the company or any of its subsidiary undertakings.

AUDITOR
A resolution to reappoint RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) as auditor will be put to the members at the annual general meeting. RSM UK Audit LLP has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
The directors in office on the date of approval of the financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

DIRECTORS' REPORT (Continued)

DIRECTORS INDEMNITY
Every Director shall be indemnified by the company out of its own funds.

Approved by the Board of Directors and signed on behalf of the Board

Daryn Robinson
Non-Executive Director
24 June 2016

CORPORATE GOVERNANCE

Principles of Corporate Governance
The Company is committed to high standards of corporate governance. The board is accountable to the Company's shareholders for good corporate governance. The Company has complied substantially throughout the period with the corporate governance guidelines for smaller quoted companies issued by the Quoted Company Alliance and details are provided below.

The role of the Board is to provide entrepreneurial leadership of the company within a framework of prudent and effective controls, which enables risk to be assessed and managed. The Board sets the company's strategic aims, ensures that the necessary financial and human resources are in place for the company to meet its objectives and reviews management performance. The Board sets the company's values and standards and ensures that its obligations to its shareholders and others are understood and met.

Board Structure
During the year the Board comprised of the Non-Executive Chairman and two independent Non-Executive Directors. D Robinson was appointed to the Board on 13 November 2015 and RRE Stanley resigned from the board on 17 November 2015.

Board Role
The Board is responsible to shareholders for the proper management of the Company. The Non-Executive Directors have a particular responsibility to ensure that the strategy is fully considered. To enable the Board to discharge its duties, all Directors have full and timely access to all relevant information and there is a procedure for all Directors, in furtherance of their duties, to take independent professional advice, if necessary, at the expense of the Company. The Board has a formal schedule of matters reserved to it. The Board met on six separate occasions in the year.

Appointment and Induction of Directors
The composition of the Board is kept under review with the aim of ensuring that the directors collectively possess the necessary skills and experience to direct the Company's business activities.

Board Committees
The Board delegates certain matters to its two principal committees, which deal with remuneration and audit.

Remuneration Committee
During the year the Remuneration Committee comprised Jon Pither and Daryn Robinson who took over from Roy Stanley following his resignation. The Remuneration Committee determined and agreed with the Board the framework of remuneration for the Non-Executive Directors. There was one remuneration committee meeting in the period which was fully attended. The report on Directors' remuneration is set out on pages 8 to 9.

Audit Committee
During the year the Audit Committee comprised of Martin Groak and Jon Pither.

The Audit Committee is responsible for:

- Reviewing the scope of external audit, to receive regular reports from RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP).
- Reviewing the half-yearly and annual accounts prior to their recommendation to the Board.
- Reviewing the Company's internal financial controls and risk management systems and processes.
- Making recommendations on the appointment, re-appointment and removal of external auditors and approving the terms of engagement.
- Reviewing the nature of the work and level of fees for non-audit services provided by the external auditors.
- Assessing the independence, objectivity and effectiveness of the external auditor.

The committee met on two occasions during the year and they were fully attended.

Internal Control
The Board has overall responsibility for the Company's system of internal control and risk management and for reviewing the effectiveness of this system. Such a system can only be designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can therefore only provide reasonable, and not absolute assurance against material misstatement or loss.
The Board are of the view that due to the current size and composition of the Company, that it is not necessary to establish an internal audit function.

Relations with Shareholders
The Company values its dialogue with both institutional and private investors. Effective two-way communication with fund managers, institutional investors and analysts is actively pursued and this encompasses issues such as performance, policy and strategy.
Private investors are encouraged to participate in the Annual General Meeting at which the Chairman presents a review of the results and comments on current business activity. The Chairmen of the Audit and Remuneration Committees will be available at the Annual General Meeting to answer any shareholder questions.
Notice of Annual General Meeting will be issued in due course.

Going Concern
The directors confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Daryn Robinson
Non-Executive Director
24 June 2016

DIRECTORS' REMUNERATION REPORT

Remuneration committee

The company has established a Remuneration Committee which is constituted in accordance with the recommendations of the Combined Code. The members of the committee during the year were J Pither and D Robinson who took over from R Stanley following his resignation and the committee was chaired by J Pither.

Remuneration policy

There were four main elements of the remuneration packages for directors:

- Basic annual salary (including directors' fees) and benefits;
- Annual bonus payments;
- Share option incentives; and
- Pension arrangements.

Basic salary

The basic salary of the directors is reviewed annually having regard to the commitment of time required and the level of fees in similar companies. Non-executive directors are employed on renewable fixed term contracts not exceeding three years. Following a review in December 2015 it was felt that a reduction in the overall remuneration levels was appropriate and with immediate effect terms were amended reducing the overall remuneration costs.

Annual bonus

The committee established the objectives which must be met for each financial year if a cash bonus was to be paid. The purpose of the bonus was to reward directors for achieving above average performance which also benefits shareholders.

Share options

The directors have options granted to them under the terms of the Share Option Scheme. There are no performance conditions attached to the share options. Share options were awarded as set out in the table on page 9.

Pension arrangements

Some directors were members of a money purchase pension scheme to which the company contributed. No other payments to directors were pensionable.

Directors interests

The interests of directors holding office at the year end in the company's ordinary 5p shares at 31 December 2015 and 1 January 2015 are shown below:

	Number of shares	
	2015	2014
M Groak	-	-
J Pither	1,403,248	1,015,084
D Robinson	546,740	-
Total	**1,949,998**	**1,015,084**

The directors, as a group, beneficially own 1.29% of the company's shares.

All directors have the right to acquire shares in the company via the exercise of options granted under the terms of their service contracts, copies of which may be inspected by shareholders upon written application to the company secretary.

DIRECTORS' REMUNERATION REPORT (continued)

Remuneration review

Directors emoluments for the financial year were as follows:

	Salary	Benefits in kind	**Total 2015**	Total 2014	**Pension Total 2015**	**Pension Total 2014**
RRE Stanley[a]	43	-	43	30	**16**	16
M Groak	35	-	35	25	**-**	-
J Pither	39	-	39	38	**-**	-
D Robinson[b]	4	-	4	-	**-**	-
Total	**121**	**-**	**121**	93	**16**	16

[a] RRE Stanley resigned on 17 November 2015
[b] D Robinson was appointed on 13 November 2015

Directors share options held at 31 December 2015 were as follows:

	31 December 2014	Granted/ (Lapsed)	Transferred	Exercised	31 December 2015	Option price per share[a]	Date from which normally exercisable	Expiry Date
RRE Stanley	800,000		(800,000)	-	-	5p	02/01/2010	02/01/2017
M Groak	-	-	200,000	-	200,000	5p	02/01/2010	02/01/2017
J Pither	-	-	200,000	(200,000)	-	5p	02/01/2010	02/01/2017
D Robinson	-	-	400,000	(400,000)	-	5p	02/01/2010	02/01/2017
M Groak	30,000	-	-	-	30,000	5p	01/03/2009	01/03/2016
M Groak	-	100,000	-	-	100,000	27p	02/02/2015	02/02/2020
J Pither	-	100,000	-	-	100,000	27p	02/02/2015	02/02/2020
D Robinson	-	100,000	-	-	100,000	27p	02/02/2015	02/02/2020
Total	**830,000**	**300,000**	**-**	**(600,000)**	**530,000**			

[a] On 31 December 2015 the market price of the ordinary shares was 14.25p. The range during 2015 was 14.25p to 25.00p

Approval
This report was approved by the board of directors and authorised for issue on 24 June 2015 and signed on its behalf by:

Daryn Robinson
Non-Executive Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements of the company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and performance of the company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 the financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether they have been prepared in accordance with IFRS as adopted by the EU;

d. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Tanfield Group Plc website.

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

REPORT OF THE INDEPENDENT AUDITOR

Independent auditor's report to the members of Tanfield Group PLC

We have audited the financial statements on pages 12 to 26. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 more fully explained in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the provisions 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.

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.

ALAN AITCHISON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

24 June 2015

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	**2015 £000's**	**2014 £000's**
Revenue	1	**-**	**-**
Staff costs	2	618	(111)
Other operating income		27	18
Other operating expenses	4	(268)	(296)
Profit/(Loss) from operations before impairments		**377**	**(389)**
Impairment of Investments		(4,770)	-
Loss from operations after impairments		**(4,393)**	**(389)**
Finance expense	3	(54)	(91)
Finance income	3	1	624
Net finance (expense)/ income		**(53)**	**533**
(Loss)/Profit from operations before tax		**(4,446)**	**144**
Taxation	5	-	-
(Loss)/Profit & total comprehensive income for the year attributable to equity shareholders		**(4,446)**	**144**

Earnings per share

(Loss)/earnings per share from operations			
Basic (p)	6	(3.1)	0.1
Diluted (p)	6	(3.1)	0.1

BALANCE SHEET (Company registration number 04061965)

AS AT 31 DECEMBER 2015

	Notes	2015 £000's	2014 £000's
Non current assets			
Non current Investments	7	36,283	41,053
		36,283	41,053
Current assets			
Trade and other receivables	9	98	131
Cash and cash equivalents	8	94	369
		192	500
Total assets		**36,475**	**41,553**
Current liabilities			
Trade and other payables	10	110	135
		110	135
Non-current liabilities			
Other payables	10	254	1,565
Deferred tax liabilities	11	-	-
		254	1,565
Total liabilities		**364**	**1,700**
Equity			
Share capital	12	7,546	7,187
Share premium	12	16,800	16,455
Share option reserve		461	845
Special reserve		66,837	66,837
Merger reserve		1,534	1,534
Retained earnings		(57,067)	(53,005)
Total equity attributable to equity shareholders		36,111	39,853
Total equity and total liabilities		**36,475**	**41,553**

The financial statements on pages 12 to 26 were approved by the board of directors and authorised for issue on 24 June 2016 and are signed on its behalf by:

Daryn Robinson
Non-Executive Director

STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITY SHAREHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Share premium	Share option reserve	Merger reserve	Special reserve[a]	Retained earnings	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
At 1 January 2014	**6,975**	**16,262**	**1,904**	**1,534**	**66,837**	**(54,208)**	**39,304**
Comprehensive income							
Profit for the year	-	-	-	-	-	144	144
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**144**	**144**
Transactions with owners in their capacity as owners:-							
Issuance of new shares (note 12)	212	193	-	-	-	-	405
Share based payments (note 13)	-	-	(1,059)	-	-	1,059	-
At 31 December 2014	**7,187**	**16,455**	**845**	**1,534**	**66,837**	**(53,005)**	**39,853**
Comprehensive income							
Loss for the year	-	-	-	-	-	(4,446)	(4,446)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(4,446)**	**(4,446)**
Transactions with owners in their capacity as owners:-							
Issuance of new shares (note 12)	359	345	-	-	-	-	704
Share based payments (note 13)	-	-	(384)	-	-	384	-
At 31 December 2015	**7,546**	**16,800**	**461**	**1,534**	**66,837**	**(57,067)**	**36,111**

[a] The company's special reserve relates to the reclassification of the share premium account.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £000's	2014 £000's
Loss before interest and taxation	(4,393)	(389)
Loss on deferred consideration currency fluctuations	-	55
Loss on impairment of investments	4,770	-
Operating cash flows before movements in working capital	**377**	**(334)**
(Increase)/decrease in receivables	(25)	109
(Decrease)/increase in payables	(1,331)	(186)
Net cash from/(used in) operations	**(979)**	**(411)**
Interest paid	-	-
Net cash from/(used in) operating activities	**(979)**	**(411)**
Cash flow from Investing Activities		
Interest received	-	-
Net cash (used in)/from investing activities	**-**	**-**
Cash flow from financing activities		
Proceeds from issuance of ordinary shares net of costs	704	405
Net cash from financing activities	**704**	**405**
Net decrease in cash and cash equivalents	**(275)**	**(6)**
Cash and cash equivalents at the start of year	369	375
Cash and cash equivalents at the end of the year	**94**	**369**

ACCOUNTING POLICIES

(i) Basis of preparation of the financial statements

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS”), IFRIC interpretations and the requirements of the Companies Act applicable to Companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, modified for the revaluation of certain financial assets and liabilities at fair value.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed below in “Critical accounting estimates and key judgements”.

(ii) Going Concern

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue to be able to meet its liabilities as they fall due for the foreseeable future. At 31 December 2015 the Company had cash balances of £0.1m and, apart from director loans, is debt free.

The Directors are confident that the cash balances will be sufficient to see the Company continue for the foreseeable future, well beyond 12 months, or until it realises the value of one of its investments and that the assumptions underlying their opinion are reasonable and that the Company will be able to operate within its cash balances. Having taken the uncertainties into account the Board believes that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustment to the value of the balance sheet assets or provisions for further liabilities, which would result should the going concern assumption not be valid.

(iii) Revenue

All revenue relates to management recharges and is recognised when the recharges are made.

(iv) Foreign currencies

Transactions in currencies other than sterling, the presentational currency of the company, are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement for the period, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in equity.

(v) Share based payments

The Company issues equity-settled share based payments to certain employees and has applied the requirements of IFRS2 “Share-based payments”.

Equity settled share-based payments are measured at fair value at the date of the grant. Fair value is measured using a Black-Scholes model.

The fair value is expensed on a straight line basis over the vesting period, based on the Company’s estimate of shares that will eventually vest.

(vi) Borrowing costs

All borrowing costs are expensed in the income statement in the period in which they are incurred.

(vii) Financial instruments

Recognition of financial assets and financial liabilities

Financial assets and financial liabilities are recognised on the Company’s balance sheet when the Company has become a party to the contractual provisions of the instrument.

Financial assets

Investments

Investments are included at either cost less amounts written off or fair value where applicable.

Trade and other receivables

Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and are subsequently carried at fair value less provisions made for doubtful receivables.

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Provisions are made specifically where there is evidence of a risk of non-payment, taking into account ageing, previous losses experienced and general economic conditions.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand less short term bank overdrafts.

Financial liabilities

Financial liabilities and equity

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 Company after deducting all of its liabilities.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds received.

Trade and other payables

Financial liabilities within trade and other payables are initially recorded at fair value, which is usually the original invoiced amount, and subsequently carried at historical cost.

ACCOUNTING POLICIES (continued)

(viii) Segmental reporting

IFRS 8 provides segmental information for the Company on the basis of information reported to the chief operating decision-maker for decision-making purposes. The Company considers that the role of chief operating decision-maker is performed by the Tanfield Group PLC'S board of directors.

(ix) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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.

(xi) Termination benefits

Termination benefits (leaver costs) are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to the affected employees leaving the Company.

(x) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

(xi) Functional and presentational currencies

The consolidated financial statements are presented in sterling which is also the functional currency of the company.

Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise judgement in the process of applying the Company's accounting policies. We continually evaluate our estimates, assumptions and judgements based on the most up to date information available.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Investments

The status of the Company's holding in Smith Electric Corp was reviewed. The Board do not feel that Smith have made sufficient progress towards achieving its plan of obtaining a public listing to maintain the previous valuation and have therefore decided to impair the investment in Smith to nil. However, the board acknowledge that there is a chance the investment will result in a return to Shareholders and will continue to monitor the investment. Should progress be made in the future the valuation of the investment will be revisited.

The status of the Company's holding in Snorkel International Holdings was reviewed. Since the injection of working capital Snorkel International Holdings continues to progress well with production increasing. The company has reviewed the financial projections prepared by Snorkel and taking in to account improving global market conditions, the injection of working capital and applying its own sensitivity to the time taken to achieve EBITDA growth to $25m, considers its investment in Snorkel International Holdings to be at fair market value. The Board takes the view that while there has been progress made by Snorkel, there is still a risk of failure. The valuation has not been adjusted for foreign currency fluctuations due to the uncertain nature of foreign currency markets.

Accounting standards, interpretations and amendments to published accounts

The Company considered the implications, if any, of the following amendments to IFRSs during the year ended 31 December 2015.

New and amended standards and interpretations effective from 1 January 2015 adopted by the Company

During the year ended 31 December 2015, the Company has not adopted any new IFRS, IAS or amendments issued by the IASB, and interpretations by the IFRS Interpretations Committee, which have had a material impact on the Company's financial statements.

New and amended standards and interpretations effective from 1 January 2016 not yet adopted by the Company

The Company currently adopts all relevant accounting standards that have been endorsed by the EU. There are various standards that are expected to be endorsed in 2016 which the Company believes will have no significant impact on the Company's financial position or results for the current or prior years but may impact the accounting for future transactions or arrangements.

NOTES TO THE ACCOUNTS

1. Revenue

An analysis of the Company's revenue is as follows:

	2015 £000's	2014 £000's
Management recharges	-	-
Total	**-**	**-**

2. Staff costs

Aggregate remuneration comprised	2015 £000's	2014 £000's
Wages and Salaries	(638)	90
Social Security Costs	4	5
Other Pension Costs	16	16
Total staff costs	**(618)**	**111**

Average monthly number of employees	2015 No.	2014 No.
Head Office and Administration	3	3
Total	**3**	**3**

Details of Directors' fees and salaries, bonuses, pensions, benefits in kind and other benefit schemes together with details in respect of Directors' share option plans are given in the Directors' Remuneration Report on pages 8 to 9. During the year a provision for £760k of remuneration costs was reversed.

3. Finance expense and finance income

Finance expense	2015 £000's	2014 £000's
Interest on director loans	54	91
Total finance expense	**54**	**91**

Finance income	2015 £000's	2014 £000's
Interest on cash, cash equivalents & financial instruments	1	604
Interest on deferred consideration	-	20
Total finance income	**1**	**624**

4. Other operating expenses

	2015 £000's	2014 £000's
Other operating expenses		
Property related expenses	39	1
Net loss on foreign exchange	-	-
Auditor's remuneration (see below)	22	22
Other operating expenses	207	273
Total operating expenses	**268**	**296**

4. Other operating expenses (continued)

Auditor's remuneration

Amounts payable to RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) and their associates in respect of both audit and non audit services are as follows:

	2015 £000's	2014 £000's
Audit Services		
• statutory audit of accounts	22	22
Other services relating to taxation		
• compliance services	2	2
	24	24
Comprising		
• Audit services	22	22
• Non audit services	2	2

5. Taxation

Analysis of taxation charge for the year

	2015 £000's	**2014 £000's**
United Kingdom		
Corporation tax at 20.25% (2014: 21.5%)	-	-
Total current taxation charge	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Total deferred tax charge	-	-
Total taxation charge in the income statement	-	-

Factors affecting taxation charge

The taxation charge on the loss for the year differs from the amount computed by applying the corporation tax rate to the loss before taxation as a result of the following factors:

	2015 £000's	**2014 £000's**
(Loss)/Profit before taxation	**(4,446)**	**144**
Notional taxation charge at UK rate of 20.25% (2014: 21.5%)	(900)	31
Effects of:		
Non (taxable) income/deductable expenses	966	-
Utilisation of tax losses brought forward	(66)	(31)
Total taxation charge	-	-

The Company has tax losses of approximately £2,307k (2014: £2,373k) available to carry forward against future profits of the same trade. No deferred tax asset has been recognised due to the uncertainty of future profitability of the Company.

6. (Loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares in issue during the period.
In calculating the dilution per share, share options outstanding and other potential ordinary shares have been taken into account where the impact of these is dilutive. The average share price during the year was 19.58p (2014: 16.90p).

Number of shares	**2015 No. 000's**	**2014 No. 000's**
Weighted average number of ordinary shares for the purposes of basic earnings per share	144,823	141,755
Effect of dilutive potential ordinary shares from share options	171	584
Weighted average number of ordinary shares for the purposes of diluted earnings per share	144,994	142,339

(Loss)/earnings

From operations	**2015** £000's	**2014** £000's
(Loss)/earnings for the purposes of basic earnings per share being net profit attributable to owners of the parent	(4,446)	144
Potential dilutive ordinary shares from share options	-	-
(Loss)/earnings for the purposes of diluted earnings per share	(4,446)	144

(Loss)/earnings per share from operations		
Basic (p)	(3.1)	0.1
Diluted (p)	(3.1)	0.1

7. Non current investments

A summary of the Non current investments is shown below:

	2015 £000's	**2014 £000's**
Investment in Smith Electric Vehicles US Corp	-	4,770
Investment in Snorkel International Holdings LLC	36,283	36,283
Total Non Current Investments	**36,283**	**41,053**

Smith Electric Vehicles US Corp

At 31 December 2015, the Company held a 5.76% (2014: 5.76%) share of the issued share capital of Smith Electric Vehicles US Corp, a company registered in the US. The Board do not feel that Smith have made sufficient progress towards achieving its plan of obtaining a public listing to maintain the previous valuation and have therefore decided to impair the investment in Smith to nil. However, the board acknowledge that there is a chance the investment will result in a return to Shareholders and will continue to monitor the investment. Should progress be made in the future the valuation of the investment will be revisited. In 2014 the Shareholding was held as a non current investment at the lower of cost and realisable value of £4,770k.

Snorkel International Holdings LLC

At 31 December 2015, the Company held a 49% (2014: 49%) share of the issued share capital of Snorkel International Holdings LLC, a company registered in the US. This shareholding is being held as a non current investment at fair value (2015: £36,283k, 2014: £36,283k).

8. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term deposits held by the Company treasury function. The carrying amount of these assets approximates their fair value.
The Company primarily holds Sterling. Currency denominated balances are translated to sterling at the balance sheet date.

	2015 £000's	**2014 £000's**
Cash and cash equivalents	**94**	369

9. Trade and other receivables

	2015 £000's	2014 £000's
Payable within one year		
Amounts due from Snorkel International Holdings LLC	15	15
Other debtors and prepayments	83	116
	98	**131**

The directors consider that the carrying amounts of trade and other receivables approximates to their fair value.

10. Trade and other payables

The directors consider that the carrying amounts of trade and other payables approximates to their fair value.

	2015 £000's	2014 £000's
Payable within one year		
Trade payables	43	56
Social security and other taxes	37	38
Accrued expenses	30	41
Loans	-	-
	110	**135**
Average credit period taken on trade purchases (days)[a]	**58**	**67**

[a] Creditor days have been calculated as trade payables over other operating expenses multiplied by 365 days.

	2015 £000's	2014 £000's
Payable after one year		
Loans	254	805
Other creditors	-	760
	254	**1,565**

11. Deferred taxation

Company

There is no movement in deferred taxation recognised in the current or proceeding years.

12. Share capital and share premium

The Company has one class of ordinary shares which carry no right to fixed income. All shares are fully paid up.

	Nominal share value	Number of shares	Share capital £000's	Share premium £000's
At 31 December 2013	**5p**	**139,491,225**	**6,975**	**16,262**
Share options exercised	5p	2,231,334	111	-
New share issue 28 November 2014[a]	5p	1,818,180	91	193
Share options exercised	5p	200,000	10	-
At 31 December 2014	**5p**	**143,740,739**	**7,187**	**16,455**
Share options exercised	5p	600,000	30	-
New share issue 6 November 2015[b]	5p	6,583,334	329	345
At 31 December 2015	**5p**	**150,924,073**	**7,546**	**16,800**

[a] On 25 November 2014 the Company announced that it had conditionally raised gross proceeds of £300k. These funds were raised by way of a placing of 1,818,180 new Ordinary Shares of 5 pence ("Shares") with institutional investors at a price of 16.5 pence per Share which were issued onto the AIM market on 28 November 2014. Costs of £15k attributable to the share issue have been charged against the Share Premium account.

[b] On 3 November 2015 the Company announced that Directors and the Company Secretary were converting £675k of convertible loan in to equity which resulted in 6,583,334 new Ordinary Shares of 5 pence ("Shares") being issued. Under the terms of the convertible loan agreements, the shares were issued at a price of 10.25 pence per Share and were admitted onto the AIM market on 6 November 2015.

13. Share based payments

IFRS2 requires share based payments to be recognised at fair value. The group measures the fair value of its share based payments to employees, "share options", using the Black-Scholes valuation method.

All share based payments are equity settled and details of the share option activity during 2015 and 2014 are shown below.

	2015		2014	
	Number of share options	Weighted average exercise price (pence)	Number of share options	Weighted average exercise price (pence)
Outstanding at the beginning of the year	4,630,000	23	7,061,334	16
Granted	300,000	27	-	-
Forfeited	-	-	-	-
Exercised	(600,000)	(5)	(2,431,334)	(5)
Expired	-	-	-	-
Outstanding at the end of the year	4,330,000	24	4,630,000	23
Exercisable	4,330,000	24	4,630,000	23

The outstanding options at 31 December 2015 had a weighted average remaining contractual life of 4.47 years (2014: 5.33 years)

The following table relates to share options outstanding and exercisable at 31 December 2015

	Option exercise prices		
Exercise price (pence)	5p	27p	Total
No of share options	230,000	4,100,000	4,330,000
No of exercisable options	230,000	4,100,000	4,330,000

Income statement charge
In accordance with IFRS2 the group determined the fair value of its options at 'grant date'. The group accrues this fair value charge over the share option vesting period. Share options that are forfeited during the year are credited directly to the share option reserve account.

A charge to the income statement of nil (2014: nil) and a credit directly to equity of £384k (2014: £1,059k) have been made during the year in accordance with IFRS2 'Share-based payments'.

The group uses the Black-Scholes model to value its share options.

14. Financial risk management

The Company's operations are exposed to various financial risks which are managed by various policies and procedures. The main risk and their related management are discussed below:

Credit risk management

The Company's exposure to credit risk arises from its trade and other receivables and cash deposits with financial institutions.

The Company's maximum exposure to credit risk is summarised below:

	2015 £'000	2014 £'000
Trade and other receivables	98	131
Cash and cash equivalents	94	369
	192	500

The Company did not have any financial instruments that would mitigate the credit exposure arising from the financial assets designated at fair value through profit and loss in either the current or proceeding year.

14. Financial risk management (continued)

Liquidity risk management

The Company is exposed to liquidity risk arising from having insufficient funds to meet the Company's future financing needs. The Company's liquidity management process includes projecting cash flows and considering the level of liquid assets available to meet future cash requirements along with monitoring balance sheet liquidity. The Board reviews forecasts, including cash flow forecasts on a quarterly basis.

Maturity analysis

The table below analyses the Company's financial liabilities on a contractual gross undiscounted cash flow basis into maturity groupings based on amounts outstanding at the balance sheet date up to the contractual maturity date.

	Within 1 year £'000	1 to 5 years £'000	Over 5 years £'000	Total £'000
2015				
Trade and other payables	110	254	-	364
	110	254	-	364
2014				
Trade and other payables	135	1,565	-	1,700
	135	1,565	-	1,700

Foreign exchange risk management

The Company is exposed to movements in foreign exchange rates due to the net assets of its foreign investments being denominated in foreign currencies. If appropriate the Company can use currency derivative financial instruments such as foreign exchange contracts to reduce exposure. These were not used in the period.

Capital management

The Company's main objective when managing capital is to protect returns to shareholders. The Company also aims to maximise its capital structure of debt and equity so as to minimise its cost of capital. The Company manages its capital with regard to risks inherent in the business and the sector in which it operates by monitoring its gearing ratio on a regular basis. The Company considers its capital to include share capital, share premium, special reserve, share option reserve and retained earnings. No gearing is currently calculated as the Company currently has no borrowings.

15. Related party transactions

Remuneration of key personnel

The remuneration of the key management personnel, which includes Directors, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. Further information about the remuneration of individual directors is provided in the Directors' Remuneration Report on pages 8 to 9.

Directors emoluments are shown in the table below:

	2015 £000's	**2014 £000's**
Salaries and short term benefits including NI	125	98
Post employment benefits	16	16
	141	**114**

15. Related party transactions (continued)

Transactions with directors

Loans

During the year the convertible loans provided to the Company by some of the Directors were amended. The terms of the previous convertible loan agreements were due to expire in June 2016 with interest of 6% and an average conversion price of 6p. It was felt by the Board that whilst the average conversion price was proportionate to the risk at the time the loans were taken out in 2013, as there was no certainty of the Snorkel division being sold, a higher conversion price would now be more appropriate. In return for a combined fee of £68k being accrued, it was agreed that the loans were extended through to June 2017, with interest of 6% and an increase in the conversion price to 10.25p. Until the loans are either fully repaid or fully converted, the loan agreements are secured by a Debenture. The Debenture is in a form which is relatively standard and constitutes fixed and floating charges over the Company's assets.

On 3 November 2015, it was announced that the Directors were converting £675k of their loans at 10.25p resulting in 6,583,334 new ordinary shares of 5p each being issued. As of 31 December 2015 the outstanding loan balances due were £254k (2014: £805k) which has been classified under trade and other payables within the balance sheet.

16. Retirement benefits

The Company operates defined contribution retirement benefit plans for all qualifying employees. The assets of the schemes are held separately from those of the Company in funds under the control of trustees. Where there are employees who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Company are reduced by the amount of forfeited contributions.

The total cost charged to income of £16k (2014:£ 16k) represents contributions payable to these schemes by the Company at rates specified in the rules of the schemes. As at 31 December 2015, contributions of nil (2014: nil) due in respect of the current reporting period had not been paid over to the schemes.

17. Financial instruments recognised in the balance sheet

	2015			2014		
Assets	Loans and receivables £000's	Assets Available for Sale[a] £000's	**Total** **£000's**	Loans and receivables £000's	Assets Available for Sale[a] £000's	**Total** **£000's**
Current financial assets						
Trade and other receivables	98	-	**98**	131	-	**131**
Investments	-	36,283	36,283	-	41,053	**41,053**
Cash and cash equivalents	94	-	**94**	369	-	**369**
Total	192	36,283	**36,475**	500	41,053	**41,553**

Liabilities	Other financial liabilities £000's	Held for trading[a] £000's	Total **£000's**	Other financial liabilities £000's	Held for trading[a] £000's	**Total** **£000's**
Current liabilities						
Trade and other payables	73	-	**73**	97	-	**97**
Total	73	-	**73**	97	-	**97**

[a] Assets and liabilities at fair value through profit and loss.

18. Investments

The tables below give brief details of the Company's investments at 31 December 2015. The Company had no operating subsidiaries as of 31 December 2015.

Investments	Principal activity	Group Interest in allotted capital & voting rights	Country of incorporation
Smith Electric Vehicles US Corp	Electric vehicle manufacture	5.76%	US
Smith Electric Vehicles Europe Ltd[a]	Electric vehicle manufacture	5.76%	UK
Snorkel International Holdings LLC	Holding Company	49.00%	US
Tanfield Engineering Systems US (Inc)[b]	Powered Access	49.00%	US
Snorkel Europe Ltd [b]	Powered Access	49.00%	UK
Snorkel International Inc [b]	Powered Access	49.00%	US
Snorkel Australia Limited [b]	Powered Access	49.00%	AUS
Snorkel New Zealand Limited [b]	Powered Access	49.00%	NZ

[a] Smith Electric Vehicle Europe Ltd is a 100% owned subsidiary of Smith Electric Vehicles US Corp . The Company's interest in Smith Electric Vehicles Europe Ltd is held indirectly through its investment in Smith Electric Vehicles US Corp.

[b] The Company's interest is held indirectly through its investment in Snorkel International Holdings LLC.

19. Post balance sheet events

The Company raised a total of £400,000 through the placing of 2,758,620 ordinary shares at a price of 14.5 pence per share. The shares were admitted to trading on AIM, a market operated by the London Stock Exchange plc, on 22 March 2016.