Financial Statements
Millbrook (UK) Limited

For the Year Ended 30 June 2016

Registered number: 01728009

Company Information

Directors	M Croll P Croll N Mecklenburgh A Longland R Thurston S Page
Company secretary	P Croll
Registered number	01728009
Registered office	Nutsey Lane Calmore Industrial Park Totton Southampton Hampshire SO40 3XJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Dorset Street Southampton Hampshire SO15 2DP

Contents

Millbrook (UK) Limited

Strategic Report

For the Year Ended 30 June 2016

Introduction

The directors present the strategic report and financial statements for the year ended 30 June 2016.

Business review

The directors are pleased with the results for the year. Sales increased by 82% and the company recorded a profit of £910,000 (2015: loss £1,383,000). The improvement in the financial performance has been the result of the cost saving and efficiency plan that has been undertaken over the last two years and new contracts.

The directors believe the company is well placed to achieve further growth next year.

Principal risks and uncertainties

The principle risk to the company is a consumer downturn resulting in less bed purchases.

Financial key performance indicators

Although we manufacture a quality handmade product, lead times and being able to respond to customers quickly is seen as instrumental to the success of the business. The average lead time over the year, for retail beds, from receipt of order until delivery was 3.4 weeks (2015: 3.5 weeks).

This report was approved by the board on 6/1/17 and signed on its behalf.

PAG.Croll

P Croll
Director

Directors' Report

For the Year Ended 30 June 2016

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

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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'. Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 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.

Results and dividends

The profit for the year, after taxation, amounted to £910,000 (2015 - loss £1,383,000).

The directors do not recommend payment of a dividend.

Directors

The directors who served during the year were:

M Croll
P Croll
N Mecklenburgh
A Longland
R Thurston
S Page

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)
For the Year Ended 30 June 2016

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 6/1/17 and signed on its behalf.

P.A.S. Croll

P Croll
Director

Grant Thornton

Independent Auditor's Report to the Shareholders of Millbrook (UK) Limited

We have audited the financial statements of Millbrook (UK) Limited for the year ended 30 June 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the 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 an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement on page 2, 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 Financial Reporting Council'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 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 30 June 2016 and of its profit or loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Grant Thornton

Independent Auditor's Report to the Shareholders of Millbrook (UK) Limited (continued)

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.

Grant Thornton UK LLP

Amanda James (Senior statutory auditor)

for and on behalf of
Grant Thornton UK LLP

Chartered Accountants
Statutory Auditor
Southampton
Date: 6 January 2017

Statement of Comprehensive Income
For the Year Ended 30 June 2016

	Note	2016 £	2015 £000
Turnover	4	**15,608**	8,615
Cost of sales		**(9,466)**	(6,836)
Gross profit		**6,142**	1,779
Distribution costs		**(1,953)**	(1,048)
Administrative expenses		**(2,975)**	(2,178)
Other operating income	5	**48**	64
Profit/(loss) before tax		**1,262**	(1,383)
Tax on profit/(loss)	9	**(352)**	-
Profit/(loss) for the year		**910**	(1,383)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 9 to 21 form part of these financial statements.

Millbrook (UK) Limited
Registered number:01728009

Statement of Financial Position
As at 30 June 2016

	Note	£000	2016 £000	£000	2015 £000
Fixed assets					
Intangible assets	10		**4**		13
Tangible assets	11		**1,167**		382
Current assets					
Stocks	12	**785**		1,118	
Debtors: amounts falling due within one year	13	**3,350**		1,376	
Cash at bank and in hand	14	**794**		383	
		4,929		2,877	
Creditors: amounts falling due within one year	15	**(4,437)**		(2,513)	
Net current assets			**492**		364
Total assets less current liabilities			**1,663**		759
Provisions for liabilities					
Other provisions	16	**(19)**		(25)	
			(19)		(25)
Net assets			**1,644**		734
Capital and reserves					
Called up share capital	17		**1,059**		1,059
Profit and loss account	18		**585**		(325)
			1,644		734

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6/1/17

P Croll
Director

The notes on pages 9 to 21 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 30 June 2016

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 July 2015	1,059	(325)	734
Comprehensive income for the year			
Profit for the year	-	910	910
Total comprehensive income for the year	-	910	910
At 30 June 2016	1,059	585	1,644

Statement of Changes in Equity
For the Year Ended 30 June 2015

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 July 2014	1,059	(2,653)	(1,594)
Comprehensive income for the year			
Loss for the year	-	(1,383)	(1,383)
Total comprehensive income for the year	-	(1,383)	(1,383)
Capital contribution	-	3,711	3,711
At 30 June 2015	1,059	(325)	734

The notes on pages 9 to 21 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2016

1. General information

Millbrook (UK) Limited is a privately held business incorporated in the UK and the address of the registered office is Nutsey Lane, Calmore Industrial Estate, Southampton, Hampshire, SO40 3XJ.

The principal activity of the entity is the manufacture and distribution of beds and mattresses as well as the painting and maintenance of vehicles.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Millbrook Industries Limited as at 30 June 2016 and these financial statements may be obtained from Companies House.

2.3 Going Concern

The directors have considered all relevant information available to them regarding the ability of the company to continue as a going concern and have concluded that the use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.4 Turnover

Turnover is the revenue arising from the sale of goods and services for handmade pocket sprung beds and mattresses and the painting and maintenance of vehicles. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership of the goods to the buyer, which is generally considered to be when the customer has taken undisputed delivery of the goods. Revenue from the sale of services is recognised when services have been provided and the right to consideration has been earned.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Amortisation is provided on the following bases:

Software	-	33 % straight line

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Plant and machinery	- 10% - 20%
Fixtures and fittings	- 10% - 20%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Income statement within 'administrative expenses'.

2.13 Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 July 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Income statement when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.15 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

2.16 Warranty provision

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the Financial Statements
For the Year Ended 30 June 2016

2. Accounting policies (continued)

2.17 Taxation

Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparation of the financial statements the Directors have made a number of significant judgements and estimates:

Stock – has been valued at the lower of cost and net realisable value. Net realisable value being the value the stock can be sold for.

4. Turnover

The whole of the turnover is attributable to the principal activity of the business.

5. Other operating income

	2016	2015
	£000	£000
Discounts receivable	**48**	64

Notes to the Financial Statements
For the Year Ended 30 June 2016

6. Operating profit/(loss)

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

	2016 £000	2015 £000
Depreciation of tangible fixed assets	**155**	94
Amortisation of intangible assets, including goodwill	**9**	9
Profit/loss on sale of tangible assets	**26**	(161)
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	**8**	8
Exchange differences	**(167)**	(12)
Other operating lease rentals (rent payable)	**226**	148

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2016 £000	2015 £000
Wages and salaries	**4,525**	3,083
Social security costs	**243**	131
Cost of defined contribution scheme	**45**	38
	4,813	3,252

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

	2016 No.	2015 No.
Number of staff	**122**	108

8. Directors' remuneration

	2016 £000	2015 £000
Directors' emoluments	**196**	197
Company contributions to defined contribution pension schemes	**11**	10
	207	207

The number of directors to whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2015: 3).

Notes to the Financial Statements

For the Year Ended 30 June 2016

9. Taxation

	2016 £000	2015 £000
Current tax		
Taxation on profits for the year	352	-
Taxation on profit on ordinary activities	352	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £000	2015 £000
Profit on ordinary activities before tax	1,262	(1,383)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	183	(287)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	71	-
Utilisation of tax losses	-	322
Fixed asset differences	1	(35)
Foreign tax credits	125	-
Adjust closing deferred tax to average rate of 20.00%	6	-
Deferred tax not recognised	(34)	-
Total tax charge for the year	352	-

Notes to the Financial Statements

For the Year Ended 30 June 2016

10. Intangible assets

	Software
	£000
Cost	
At 1 July 2015	52
At 30 June 2016	52
Amortisation	
At 1 July 2015	39
Charge for the year	9
At 30 June 2016	48
Net book value	
At 30 June 2016	4
At 30 June 2015	13

Notes to the Financial Statements

For the Year Ended 30 June 2016

11. Tangible fixed assets

	Plant and machinery £000	Fixtures and fittings £000	Total £000
Cost or valuation			
At 1 July 2015	2,274	576	2,850
Additions	915	58	973
Disposals	(53)	-	(53)
At 30 June 2016	3,136	634	3,770
Depreciation			
At 1 July 2015	1,942	526	2,468
Charge for period on owned assets	125	30	155
Disposals	(19)	-	(19)
At 30 June 2016	2,048	556	2,604
Net book value			
At 30 June 2016	1,088	78	1,166
At 30 June 2015	332	50	382

12. Stocks

	2016 £000	2015 £000
Raw materials and consumables	682	975
Work in progress (goods to be sold)	31	76
Finished goods and goods for resale	72	67
	785	1,118

An impairment gain of £8,792 (2015: loss of £142,453) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

Notes to the Financial Statements

For the Year Ended 30 June 2016

13. Debtors

	2016 £000	2015 £000
Trade debtors	**2,701**	1,278
Amounts owed by group undertakings	**493**	-
Other debtors	**23**	-
Prepayments and accrued income	**133**	98
	3,350	1,376

An impairment loss of £10,941 (2015: gain of £39,714) was recognised against trade debtors.

14. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	**794**	383
Less: bank overdrafts	**(939)**	(447)
	(145)	(64)

15. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Bank overdrafts	**939**	447
Trade creditors	**1,631**	1,388
Corporation tax	**352**	-
Taxation and social security	**214**	118
Other creditors	**1,263**	547
Accruals and deferred income	**38**	13
	4,437	2,513

The bank overdraft is secured by a floating charge over the company's assets, and by an unlimited guarantee by the company's parent and fellow subsidiary undertakings.

Certain trade debtors were subject to an invoice discounting agreement during the year. Included within overdrafts is £835,584 (2015: £441,848) owed in respect of this agreement at the balance sheet date. This creditor was secured by a charge over the debts to which it relates.

Notes to the Financial Statements
For the Year Ended 30 June 2016

16 Provisions

The warranty provision relates to a long-term accrual providing for exchange credits based on actual credits raised during the year and the length of time from despatch to claim raised.

	Warranty £000
At 1 July 2015	25
Charged to the profit or loss	(6)
At 30 June 2016	19

17. Share capital

	2016 £000	2015 £000
Shares classified as equity		
Authorised, allotted, called up and fully paid		
1,059,379 Ordinary shares of £1 each	**1,059**	1,059

18. Reserves

Profit and loss account
Includes all current and prior period retained profits and losses.

19. Retirement Benefits

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

	2016 £000	2015 £000
Contributions payable by the company for the year	45	38
Contributions payable to the fund at the year end and included in creditors	6	5
	51	43

20. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the reporting date.

21. Contingent liabilities

The company has provided an unlimited guarantee in respect of the bank borrowings of its parent and fellow subsidiary undertakings which at 30 June 2016 amounted to £2,270,000 (2015: £2,593,000).

22. Related party transactions

As a wholly owned subsidiary of Millbrook Industries Limited, the company is exempt under FRS 102 from disclosing transactions with other members of the group headed by that company whose consolidated financial statements are publicly available at Companies House.

23. Controlling party

The directors consider that the ultimate parent undertaking of this company is its parent company Millbrook Industries Limited.

The largest and smallest group of undertakings for which group accounts have been drawn up, including this company, is that headed by Millbrook Industries Limited which is registered in England and Wales. A copy of the consolidated accounts can be obtained from Companies House.

C Croll is this company's ultimate controlling party by virtue of a majority shareholding in Millbrook Industries Limited.

24. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.