

Company Registration No. 2518921

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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JULIUS A MELLER MANAGEMENT SERVICES LIMITED

COMPANY INFORMATION

Directors

J C McGrath ACMA

Secretary

J N Curtis FCA

Company Number

2518921

Registered Office

Unit H
Bedford Business Centre
Mile Road
Bedford
MK42 9TW

Auditor

KPMG LLP, Statutory Auditor
Chartered Accountants
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

Bank

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

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STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The director presents the strategic report of Julius A Meller Management Services Ltd ("the Company") for the year ended 31 December 2015.

Principal activities and review of the business

The principal activity of the Company continued to be that of the provision of management services, which it re-charges to other group companies. The Company's director considers the Company's financial position and the business performance to be satisfactory. The Company has kept close control over costs and the director will continue to monitor cost levels to ensure an adequate return is achieved in the current economic climate.

Business review

Turnover decreased by marginally 3% to £3.3 million (2014: £3.4 million).

Operating profits decreased to £0.2 million (2014: £0.3 million).

Objectives of the Company

The Company's main objectives are to provide support and direction to group companies.

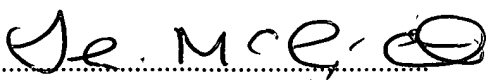
Internal cost monitoring

The Company has a clear focus on efficient cost management and has a long-term efficiency program in place to effectively manage cost. Where appropriate the Company has improved sourcing and made internal cost savings to reduce costs.

Risk and uncertainties

The director does not consider the Company to have any significant business risks or uncertainties.

On behalf of the board



J McGrath ACMA

Director

19 August 2016

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The director presents the report and financial statements for the year ended 31 December 2015.
The Company registration number is 2518921.

Results and dividends

The results for the year are set out on page 6. The directors do not recommend the payment of an ordinary dividend (2014: *£nil*).

Directors

The following directors has held office since 1 January 2015:

J C McGrath ACMA

Director's interests

The director did not have any interest in the share capital of the Company at any time during the current or prior year.

Political and charitable donations

During the year the Company made £250 to UK charities (2014: *£nil*). The Company made no political donations during the current or prior year.

Changes in accounting policy

The accounting policy in the current year has changed from old UK GAAP to FRS102.

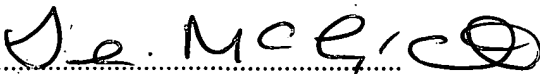
Statement of disclosure to auditor

The director who held office at the date of approval of this director's report confirm that, so far as he 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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board



J McGrath ACMA
Director

19 August 2016

Unit H Bedford Business Centre
Mile Road
Bedford
MK42 9TW

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTOR'S REPORT AND THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2015**

The director is responsible for preparing the Strategic Report, the Director's 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including *FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER MANAGEMENT SERVICES LIMITED

We have audited the financial statements of Julius A Meller Management Services Limited for the year ended 31 December 2015 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including *FRS 102 The Financial Reporting Standard applicable in the UK and republic of Ireland*.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 director and auditor

As explained more fully in the Director's Responsibilities Statement set out on page 3, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK 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 Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JULIUS A MELLER
MANAGEMENT SERVICES 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.



David Neale (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

19 August 2016

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £	2014 £
Turnover	2	3,284,000	3,400,867
Administrative expenses		<u>(3,128,317)</u>	<u>(3,059,138)</u>
Operating profit	3	155,683	341,729
Interest receivable	4	5,757	7,195
Interest payable and similar charges	5	<u>(1,500)</u>	<u>(8,834)</u>
Profit on ordinary activities before taxation		159,940	340,090
Tax on profit on ordinary activities	6	<u>(35,238)</u>	<u>(77,618)</u>
Profit on ordinary activities after taxation		<u>124,702</u>	<u>262,472</u>

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	£	£
Profit for the year	124,702	262,472
Total comprehensive income for the year	124,702	262,472

All results arise from continuing operations.

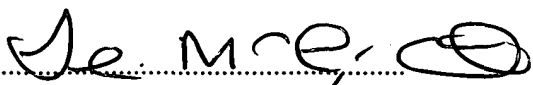
The notes on pages 10 to 19 form part of these financial statements.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	7		1,019		-
Current assets					
Debtors	8	3,854,654		4,032,853	
Cash at bank and in hand		-		880,801	
		<u>3,854,654</u>		<u>4,913,654</u>	
Creditors: amounts falling due within one year	9	<u>(3,155,995)</u>		<u>(4,338,678)</u>	
Net current assets			<u>698,659</u>		<u>574,976</u>
Total assets less current liabilities			<u>699,678</u>		<u>574,976</u>
Creditors: amounts falling due after more than one year	10		<u>(59,462)</u>		<u>(59,462)</u>
Net assets			<u>640,216</u>		<u>515,514</u>
Capital and reserves					
Called up share capital	11		1,000		1,000
Profit and loss account			639,216		514,514
Shareholders' funds			<u>640,216</u>		<u>515,514</u>

The financial statements were approved by the Board on 19 August 2016



J McGrath ACMA
Director

Company registration number: 2518921

The notes on pages 10 to 19 form part of these financial statements.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2015

	Called up Share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2014	1,000	252,042	253,042
Total comprehensive income for the period			
Profit or loss	-	262,472	262,472
Total comprehensive income for the period	-	262,472	262,472
Balance at 31 December 2014	1,000	514,514	515,514

	Called up Share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2015	1,000	514,514	515,514
Total comprehensive income for the period			
Profit or loss	-	124,702	124,702
Total comprehensive income for the period	-	124,702	124,702
Balance at 31 December 2015	1,000	639,216	640,216

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

Julius A Meller Management Services Limited (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in note 16.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS102. The following exemptions have been taken in these financial statements:

- Lease arrangements – in order to determine whether an arrangement contains a lease, the Company has analysed facts and circumstances existing at 1 January 2014 rather than commencement date of arrangement.
- Lease incentives – for leases commenced before 1 January 2014 the Company continued to account for lease incentives under previous UK GAAP.

The Company’s parent undertaking, The Meller Group, includes the Company in its consolidated financial statements. The consolidated financial statements of The Meller Group are available to the public and may be obtained from Unit H, Bedford Business Centre, Mile Road, Bedford, Bedfordshire, MK42 9TW. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Company has not retrospectively changed its accounting under old UK GAAP accounting estimates.

1.1. Measurement convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2. Going concern

The financial statements have been prepared on the going concern basis of accounting which the directors believe to be appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the group to continue to trade as a going concern.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. Accounting policies (continued)

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following conditions:

- a) They include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- b) Where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED*) FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (*continued*)

1.6 Other financial instruments

Financial instruments not considered to be basic financial instruments (other financial instruments)

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Tangible fixed assets include investment property whose fair value cannot be measured reliably without undue cost or effort.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Fixtures, fittings & equipment	33% per annum straight line basis
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Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

1.8 Turnover

Turnover represents the invoiced value of management services provided net of VAT.

1.9 Pensions

The company operates a defined contribution pension scheme covering the majority of its permanent employees. Pension costs charged against profit represent the amount payable to the scheme in respect of the period.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED*) FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies (*continued*)

1.10 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that are expected to apply to the reversal of the related difference, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax are not discounted

1.11. Interest receivable and interest payable

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

2. Turnover

The total turnover of the Company for the year has been derived from its principal activity wholly undertaken in the United Kingdom and relating to rendering of services.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

3. Operating profit	2015	2014
	£	£
Operating profit is stated after charging:		
Depreciation on tangible assets	59	-
Auditor's remuneration:		
Audit of these financial statements	3,075	3,060
Taxation	2,330	1,635
4. Interest receivable	2015	2014
	£	£
Interest receivable:		
Other interest	5,757	7,195
5. Interest payable	2015	2014
	£	£
On bank loans and overdrafts	1,500	8,834
6. Taxation	2015	2014
	£	£
The taxation for the period comprised:		
Current tax		
Current tax on income for the period	35,313	66,178
Adjustment in respect of previous periods	1,935	3,251
Group relief paid for	-	8,249
Total current tax	37,248	77,678
Deferred tax		
Origination and reversal of timing difference	(2,050)	(60)
Effect of tax rate change on opening balance	40	-
Total deferred tax	(2,010)	(60)
Tax on profit on ordinary activities	35,238	77,618

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

6. Taxation (*continued*)

	2015			2014		
	£	£	£	£	£	£
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax
Recognised in profit and loss account	37,248	(2,010)	35,238	77,678	(60)	77,618
Total tax	37,248	(2,010)	35,238	77,678	(60)	77,618

Reconciliation of effective tax rate:

	2015 £	2014 £
Profit on ordinary activities before taxation	159,940	340,090
Theoretical tax at UK corporation tax rate 20.25% (2014: 21.5%)	32,388	73,102
Effects of:		
Non deductible expenses	703	1,495
Impact of marginal tax rate	(83)	(248)
Adjustment to tax charge in respect of prior periods	1,935	3,269
Reversal of timing differences	-	(78)
Adjust closing deferred tax to average rate of 20.25%	300	78
Adjust opening deferred tax to average rate of 20.25%	(5)	-
Total tax expense included in Profit and Loss	35,238	77,618

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015.

This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

7. Tangible fixed assets

	Fixtures, fittings & equipment	Total
	£	£
Cost		
At 1 January 2015	3,903	3,903
Additions	1,078	1,078
At 31 December 2015	<u>4,981</u>	<u>4,981</u>
Depreciation		
At 1 January 2015	3,903	3,903
Charge for the year	59	59
At 31 December 2015	<u>3,962</u>	<u>3,962</u>
Net book value		
At 31 December 2015	<u>1,019</u>	<u>1,019</u>
At 31 December 2014	<u>-</u>	<u>-</u>

8. Debtors

	2015	2014
	£	£
Amounts owed by parent and fellow subsidiary undertakings	3,644,600	3,909,691
Deferred tax	2,405	395
Other debtors	40	40
Other tax and social security	<u>207,609</u>	<u>122,727</u>
	<u>3,854,654</u>	<u>4,032,853</u>

Deferred tax assets are attributable to the following:

	Assets		Net	
	2015	2014	2015	2014
	£	£	£	£
Accelerated capital allowances	2,405	395	2,405	395
Tax assets	<u>2,405</u>	<u>395</u>	<u>2,405</u>	<u>395</u>

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

9. Creditors: amounts falling due within one year

	2015 £	2014 £
Bank loans and overdrafts	73,048	-
Amounts owed to group undertakings	9,062	736,608
Corporation tax	26,338	112,568
Other taxes and social security	106,042	101,270
Accruals and deferred income	2,941,505	2,948,232
Other loans	-	440,000
	<u>3,155,995</u>	<u>4,338,678</u>

10. Creditors: amounts falling due after more than one year

	2015 £	2014 £
Other loans	<u>59,462</u>	<u>59,462</u>
Analysis of loans		
Wholly repayable within 5 years	<u>59,462</u>	<u>59,462</u>
	<u>59,462</u>	<u>59,462</u>
Loan maturity analysis		
In more than two years but not more than five years	<u>59,462</u>	<u>59,462</u>

Other loans represent a loan from former directors of the Company. Interest is payable at 2% above base rate, and in the year ended 31 December 2015 amounted to £1,500 (2014: £8,834)

11. Called up share capital

	2015 £	2014 £
Allotted, called up and fully paid		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

12. Contingent liabilities

The Company has guaranteed the borrowing of its parent company and fellow subsidiaries as part of group banking arrangements. The borrowings are secured by a fixed and floating charge over the assets of the companies involved. At 31 December 2015 the contingent liability in respect of this guarantee was £1,800,000 (2014: £2,473,212).

The Company is included in a group registration for VAT purposes with its parent company and fellow subsidiaries. All members of the VAT group are jointly and severally liable for the total amount of VAT due, and at 31 December 2015 the contingent liability in respect of this registration was £1,252,471 (2014: £1,519,995).

13. Directors' emoluments

	2015 £	2014 £
Emoluments for qualifying services	198,297	194,640
Company pension contributions to money purchase schemes	14,338	13,655
	<u>212,635</u>	<u>208,295</u>

No directors are accruing retirement benefits under money purchase pension schemes (2014: nil).

Emoluments disclosed above include the following amounts paid to the highest paid director:

	2015 £	2014 £
Emoluments for qualifying services	<u>198,297</u>	<u>194,640</u>

14. Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Management	<u>4</u>	<u>4</u>
Employment costs	2015 £	2014 £
Wages and salaries	2,397,997	2,421,105
Social security costs	347,519	289,882
Other pension costs	<u>14,379</u>	<u>13,993</u>
	<u>2,759,895</u>	<u>2,724,980</u>

JULIUS A MELLER MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

15. Ultimate parent company and parent company of larger group

The Company's parent undertaking is Meller Group Limited, incorporated in England, which heads the smallest and largest group in which the results of the Company are consolidated. Copies of the group financial statements of Meller Group Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The Company's ultimate parent undertaking and controlling party is CS Holdings Limited, a Company incorporated in Jersey.

16. Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

In preparing its FRS 102 balance sheet, there were no adjustments made to amounts reported previously in financial statements prepared in accordance with its old basis of accounting under UK GAAP.