
MAJOR'S PLACE INDUSTRIES LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

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MAJOR'S PLACE INDUSTRIES LIMITED

COMPANY INFORMATION

Directors	Sir A Grossart CBE QC B J W Lambie
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Company secretary	W K Ramage
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Registered number	SC075748
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Registered office	24 Russell Road Edinburgh EH11 2LS
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Independent auditor	Scott-Moncrieff Chartered Accountants Exchange Place 3 Seiple Street Edinburgh EH3 8BL
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MAJOR'S PLACE INDUSTRIES LIMITED

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MAJOR'S PLACE INDUSTRIES LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2016**

INTRODUCTION

The directors present their strategic report for Major's Place Industries Limited for the year ended 31 January 2016.

PRINCIPAL ACTIVITIES

The Group continued its principal activities as specialist glazing contractors throughout the current financial year.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

Management continually monitor the key risks facing the Group together with assessing the controls used for managing these risks. The board of directors regularly formally review and document the principal risks facing the business.

The principal risks and uncertainties facing the Group are as follows:

- Industry-wide supply chain pressures in terms of both the price and the availability of some site labour resource, materials and services. The recent recession reduced supply chain capacity in certain areas of the construction sector, and as the economy improved demand exceeded supply for key materials and labour, resulting in increasing prices.
- Events such as the EU referendum that cause uncertainty and affect confidence in the UK economy and lead to a downturn in construction generally.

REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS

As reported in the Consolidated Statement of Comprehensive Income, turnover increased in the year by 9.0% from £17.00m to £18.54m. Operating profit increased from £234,739 to £1.11m and profit before taxation increased from £226,415 to £1.11m. Improved trading conditions in the construction sector saw the gross margin increase to 21.91% compared to 16.49% for the previous year. The net profit margin increased from 1.3% to 6.0%.

The Consolidated Balance Sheet shows that the Group's net assets at the end of the year increased by £597,739 to £4.85m. Debtors decreased by £751k and creditors less than one year increased by £1.46m. The liquidity of the Group improved with net current assets increasing from £2.78m to £3.41m and cash at bank remained strong at £4.12m.

Creditors falling due after more than one year decreased from £85,429 to £9,447 due to a decrease in hire purchase creditors.

The increased strength of the Consolidated Balance Sheet, despite previous challenging trading conditions, gives our Clients added assurance that the Group can fully service their requirements on major project work.

FUTURE DEVELOPMENTS

The Group continues to win excellent new orders, and the order book for the year to January 2017 indicates that the Group should continue to report a robust turnover and a strong profit for the year. In recognition of the reported profit for 2016, the Board has declared a dividend of £300,000.

MAJOR'S PLACE INDUSTRIES LIMITED

**GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016**

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group makes little use of financial instruments. All the Group's surplus funds are held in short term fixed rate sterling deposit accounts. The directors believe that this gives them the flexibility to release cash resources at short notice and also allows them to take advantage of changing conditions in the finance markets as they arise. As such, the Group's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit and loss of the Group.

This report was approved by the board on 17 August 2016 and signed on its behalf by:



B J W Lambie
Director

MAJOR'S PLACE INDUSTRIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2016

The directors present their report and the financial statements for the year ended 31 January 2016.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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 the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

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

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

Directors

The directors who served during the year and up to the date of approval of these financial statements were:

Sir A Grossart CBE QC
B J W Lambie

Dividends

During the year ended 31 January 2016, a dividend of £300,000 (2015: £25,000) was approved by the shareholders for payment to ordinary shareholders.

Going concern

The Group has sufficient financial resources together with a solid order book. The directors believe that the Group is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to apply the going concern basis of accounting in preparing the annual financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED

**DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 JANUARY 2016**

Disclosure of information to the auditor

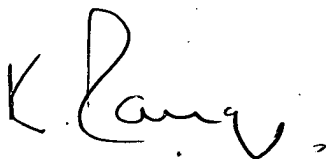
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- that 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 and the Group's auditor is aware of that information.

Auditor

The auditor, Scott-Moncrieff, who was appointed during the year, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17 August 2016 and signed on its behalf by:



W K Ramage
Secretary

MAJOR'S PLACE INDUSTRIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAJOR'S PLACE INDUSTRIES LIMITED

We have audited the financial statements of Major's Place Industries Limited for the year ended 31 January 2016, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the group and parent 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 group and parent 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 group and parent company and the group and parent 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 group's and of the parent company's affairs as at 31 January 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

MAJOR'S PLACE INDUSTRIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAJOR'S PLACE INDUSTRIES LIMITED

Matters on which we are required to report by exception

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

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

Scott-Moncrieff

Allison Gibson (Senior statutory auditor)
for and on behalf of Scott-Moncrieff
Statutory Auditor
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date: 17 August 2016

MAJOR'S PLACE INDUSTRIES LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2016**

	Note	2016 £	2015 £
Turnover	5	18,536,075	17,001,622
Cost of sales		(14,475,041)	(14,197,599)
Gross profit		4,061,034	2,804,023
Distribution costs		(1,624,705)	(1,559,189)
Administrative expenses		(1,326,031)	(1,010,095)
Operating profit	6	1,110,298	234,739
Interest receivable and similar income		5,481	3,518
Interest payable and expenses		(3,068)	(11,842)
Profit on ordinary activities before taxation		1,112,711	226,415
Tax on profit	11	(214,972)	(47,876)
Profit for the year		897,739	178,539
Other comprehensive income for the year			
Total comprehensive income for the year		897,739	178,539
 Owners of the parent Company		 897,739	 178,539
		897,739	178,539

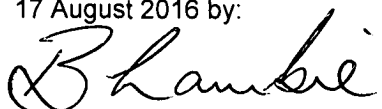
The notes on pages 15 to 35 form part of these financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED
REGISTERED NUMBER: SC075748

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	14	1,456,423	1,566,671
		<u>1,456,423</u>	<u>1,566,671</u>
Current assets			
Stocks	16	222,599	220,198
Debtors: amounts falling due within one year	17	3,122,538	3,873,409
Cash at bank and in hand	18	4,119,148	1,280,268
		<u>7,464,285</u>	<u>5,373,875</u>
Creditors: amounts falling due within one year	19	(4,058,102)	(2,593,476)
Net current assets		<u>3,406,183</u>	<u>2,780,399</u>
Total assets less current liabilities		<u>4,862,606</u>	<u>4,347,070</u>
Creditors: amounts falling due after more than one year	20	(9,447)	(85,429)
Provisions for liabilities			
Deferred tax	23	(779)	(7,000)
		<u>(779)</u>	<u>(7,000)</u>
Net assets		<u>4,852,380</u>	<u>4,254,641</u>
Capital and reserves			
Called up share capital	24	85,910	85,910
Share premium account	25	51,546	51,546
Revaluation reserve	25	266,379	279,699
Profit and loss account	25	4,448,545	3,837,486
Equity attributable to owners of the parent Company		<u>4,852,380</u>	<u>4,254,641</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 August 2016 by:



B J W Lambie
Director

The notes on pages 15 to 35 form part of these financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED
REGISTERED NUMBER: SC075748

COMPANY BALANCE SHEET
AS AT 31 JANUARY 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	15	436,338	436,338
		<u>436,338</u>	<u>436,338</u>
Current assets			
Debtors: amounts falling due within one year	17	300,000	25,000
Creditors: amounts falling due within one year	19	(445,942)	(171,442)
Net current liabilities		<u>(145,942)</u>	<u>(146,442)</u>
Net assets		<u>290,396</u>	<u>289,896</u>
Capital and reserves			
Called up share capital	24	85,910	85,910
Share premium account	25	51,546	51,546
Profit and loss account	25	152,940	152,440
		<u>290,396</u>	<u>289,896</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 August 2016 by:



B J W Lambie
 Director

The notes on pages 15 to 35 form part of these financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2016**

	Share capital £	Share premium £	Revaluation reserve £	Retained earnings £	Equity attributable to owners of parent Company / Total equity £
At 1 February 2015	85,910	51,546	279,699	3,837,486	4,254,641
Comprehensive income for the year					
Profit for the year	-	-	-	897,739	897,739
Total comprehensive income for the year	-	-	-	897,739	897,739
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(300,000)	(300,000)
Transfer from revaluation reserve to profit and loss account	-	-	(13,320)	13,320	-
Total transactions with owners	-	-	(13,320)	(286,680)	(300,000)
At 31 January 2016	85,910	51,546	266,379	4,448,545	4,852,380

MAJOR'S PLACE INDUSTRIES LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2015**

	Share capital £	Share premium £	Revaluation reserve £	Retained earnings £	Equity attributable to owners of parent Company / Total equity £
At 1 February 2014	85,910	51,546	293,019	3,670,627	4,101,102
Comprehensive income for the year					
Profit for the year	-	-	-	178,539	178,539
Total comprehensive income for the year	-	-	-	178,539	178,539
Contributions by and distributions to owners					
Dividends: Equity capital	-	-	-	(25,000)	(25,000)
Transfer from revaluation reserve to profit and loss account	-	-	(13,320)	13,320	-
Total transactions with owners	-	-	(13,320)	(11,680)	(25,000)
At 31 January 2015	85,910	51,546	279,699	3,837,486	4,254,641

MAJOR'S PLACE INDUSTRIES LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2016**

	Share capital £	Share premium £	Retained earnings £	Total equity £
At 1 February 2015	85,910	51,546	152,440	289,896
Comprehensive income for the year				
Profit for the year	-	-	300,500	300,500
Total comprehensive income for the year	-	-	300,500	300,500
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(300,000)	(300,000)
Total transactions with owners	-	-	(300,000)	(300,000)
At 31 January 2016	85,910	51,546	152,940	290,396

MAJOR'S PLACE INDUSTRIES LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2015**

	Share capital £	Share premium £	Retained earnings £	Total equity £
At 1 February 2014	85,910	51,546	152,066	289,522
Comprehensive income for the year				
Profit for the year	-	-	25,374	25,374
Total comprehensive income for the year	-	-	25,374	25,374
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(25,000)	(25,000)
Total transactions with owners	-	-	(25,000)	(25,000)
At 31 January 2015	85,910	51,546	152,440	289,896

MAJOR'S PLACE INDUSTRIES LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2016**

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year before tax	1,112,711	226,415
Adjustments for:		
Depreciation of tangible assets	220,676	204,319
(Profit) on disposal of tangible assets	-	(1,907)
(Increase)/decrease in stocks	(2,401)	2,851
Interest paid	3,068	11,842
Interest received	(5,481)	(3,518)
Decrease in debtors	750,871	963,276
Increase/(decrease) in creditors	1,044,096	(1,763,326)
Corporation tax	(56,632)	6,456
Net cash generated from/(used by) operating activities	3,066,908	(353,592)
Cash flows from investing activities		
Purchase of tangible fixed assets	(110,428)	(188,518)
Sale of tangible fixed assets	-	44,999
Interest received	5,481	3,518
Net cash used in investing activities	(104,947)	(140,001)
Cash flows from financing activities		
HP interest paid	(3,068)	(11,842)
Repayment of finance leases	(95,013)	(87,008)
Dividends paid	(25,000)	-
Net cash used in financing activities	(123,081)	(98,850)
Net increase / (decrease) in cash and cash equivalents	2,838,880	(592,443)
Cash and cash equivalents at beginning of year	1,280,268	1,872,711
Cash and cash equivalents at the end of year	4,119,148	1,280,268
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	4,119,148	1,280,268
	4,119,148	1,280,268

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

1. General information

The Company is a United Kingdom company limited by shares. It is both incorporated and domiciled in Scotland. The address of its registered office is Russell Road, Edinburgh, EH11 2LS.

The principal activity of the Group is that of a specialist glazing contractor.

2. Statement of compliance

The financial statements are the Group's first financial statements, prepared in compliance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" issued by the Financial Reporting Council, and the Companies Act 2006. The Company's date of transition to FRS 102 is 1 February 2014.

Before 2015, the financial statements were prepared in accordance with UK GAAP applicable prior to the adoption of FRS 102, as issued by the Financial Reporting Council and referred to below as 'previous UK GAAP'. Information on the impact of first-time adoption is given in note 33 to these financial statements.

3. Accounting policies

3.1 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 United Kingdom and the Republic of Ireland," and the Companies Act 2006.

These financial statements are presented in pounds sterling as that is the currency in which the Group's transactions are denominated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 4).

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

3.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiary, ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

3.3 Going concern

The Group has sufficient financial resources together with a solid order book. The directors believe that the Group is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to apply the going concern basis of accounting in preparing the annual financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting Policies (cont'd)

3.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Construction contracts

When the outcome of a construction contract can be estimated reliably, the Group shall recognise contract revenue and contract costs associated with the construction contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period.

The Group shall determine the stage of completion of a transaction or contract through performing surveys of the work performed to date.

When the outcome of a construction contract cannot be estimated reliably:

- the Group shall recognise revenue only to the extent of contract costs incurred that it is probable will be recoverable; and
- the Group shall recognise contract costs as an expense in the period in which they occurred.

The Group will recognise as an expense immediately any costs whose recovery is not probable. When it is probable that total contract costs will exceed total contract revenue on a construction contract, the expected loss shall be recognised as an expense immediately.

Revenues derived from variations on contracts are recognised only when they have been accepted by the customer.

Amounts recoverable on contracts are included in trade debtors. These are stated as turnover recognised less any progress payments made on the contracts, after provision has been made for any foreseeable losses.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting policies (cont'd)

3.5 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.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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 are as follows:

Heritable property	- 40 years
Plant and machinery	- 10 years
Motor vehicles	- 5 years
Furniture & equipment	- 5 years

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 within 'other operating income' in the Consolidated statement of comprehensive income.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting policies (cont'd)

3.5 Impairment of non-financial assets

At each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.7 Operating leases: lessee

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

3.8 Stock

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Costs include all direct costs and an appropriate proportion of fixed and variable overheads.

3.9 Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on the normal level of activity. Provisions are made for any foreseeable losses where appropriate. No element of profit is included in the valuation of any work in progress.

3.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

3.11 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.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting policies (cont'd)

3.12 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, 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 the 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 profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet 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.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Group has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

3.13 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.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting policies (cont'd)

3.14 Dividends

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders.

3.15 Leased assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of the estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant portion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

3.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.17 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group also has a defined benefit pension scheme which was closed to the accrual of future benefits in September 1997. Actuarial valuations are carried out on a triennial basis and any deficiency in valuation which may arise from time to time is corrected by deficit funding contributions. Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using assumptions set prudently by the trustees on the advice of their actuary. The movement in the pension asset or liability in the year is reflected in the Consolidated Statement of Comprehensive Income.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

3. Accounting policies (cont'd)

3.18 Interest income

Interest income is recognised in profit or loss using the effective interest method.

3.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 Balance Sheet.

3.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, 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 balance sheet date in the countries where the Group operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 difference between the fair values of assets acquired and the future tax deductions available for them and the difference 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 balance sheet date.

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

4. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- Depreciation – accounting estimation applied to the useful life of assets. The rates used are deemed to be appropriate for the individual class of assets.
- Amounts recoverable on contracts – judgement has been applied by the directors to estimate the level of foreseeable losses on certain contracts.
- Actuarial assumptions in respect of defined benefit pension scheme - the actuarial assumptions of a qualified actuary have been reviewed and are considered reasonable and appropriate.

5. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Rendering of services	18,536,075	17,001,622
	<u>18,536,075</u>	<u>17,001,622</u>

All turnover arose within the United Kingdom.

6. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	220,676	204,319
Defined contribution pension cost	54,286	46,137
Operating lease rentals: motor vehicles and plant & machinery	<u>30,688</u>	<u>20,411</u>

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

7. Auditor's remuneration

	2016 £	2015 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	<u>11,250</u>	<u>11,250</u>
Fees payable to the Group's auditor in respect of:		
Taxation compliance services	1,400	1,400
All other non-audit services not included above	-	800
	<u>1,400</u>	<u>2,200</u>

The above costs were borne by the subsidiary company.

8. Employees

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

	2016 £	2015 £
Wages and salaries	2,629,748	2,439,079
Social security costs	242,893	215,234
Other pension costs	54,286	46,137
	<u>2,926,927</u>	<u>2,700,450</u>

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

	2016 No.	2015 No.
Sales and administration	16	17
Production	54	60
	<u>70</u>	<u>77</u>

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

9. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	145,895	143,289
	<u>145,895</u>	<u>143,289</u>

During the year retirement benefits were accruing to no directors (2015 - NIL) in respect of defined contribution pension schemes.

10. Key management personnel

Employee benefits for key management personnel, as defined by the directors, which include the remuneration of the executive directors of the subsidiary company, totalled £877,021 (2015 - £630,264).

11. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	225,500	58,476
Adjustment in respect of prior periods	(4,307)	-
Total current tax	<u>221,193</u>	<u>58,476</u>
Deferred tax		
Origination and reversal of timing differences	(6,221)	(10,600)
Total deferred tax	<u>(6,221)</u>	<u>(10,600)</u>
Taxation on profit on ordinary activities	<u>214,972</u>	<u>47,876</u>

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

11. Taxation (cont'd)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 – higher than) the standard rate of corporation tax in the UK of 20.16% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,112,711</u>	<u>226,541</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.16% (2015 - 20%)	224,341	45,308
Effects of:		
Expenses not deductible for tax purposes	4,027	2,485
Depreciation for year in excess of capital allowances	7,526	898
Additional deduction for R&D expenditure	(16,349)	-
Adjust closing deferred tax to average rate	(94)	(458)
Adjust opening deferred tax to average rate	56	1,172
Deferred tax not recognised	(94)	74
Adjustments to tax charge in respect of prior periods	(4,307)	-
Marginal relief	(154)	(1,603)
Total tax charge for the year	<u>214,972</u>	<u>47,876</u>

Factors that may affect future tax charges

Following Budget 2015 announcements, there will be a reduction in the main rate of corporation tax for each year from the financial year beginning 1 April 2017 to the financial year beginning 1 April 2020, reducing the main rate by 2% by 2020.

12. Dividends

	2016 £	2015 £
Dividends proposed on ordinary shares	<u>300,000</u>	<u>25,000</u>
	<u>300,000</u>	<u>25,000</u>

13. Parent Company Profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent company for the year was £300,500 (2015 - £25,374).

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

14. Tangible fixed assets

Group

	Heritable property £	Plant & machinery £	Motor vehicles £	Furniture & equipment £	Total £
Cost					
At 1 February 2015	1,498,276	1,544,517	453,611	1,015,757	4,512,161
Additions	6,991	39,294	33,689	30,454	110,428
At 31 January 2016	1,505,267	1,583,811	487,300	1,046,211	4,622,589
Depreciation					
At 1 February 2015	571,114	1,333,535	111,972	928,869	2,945,490
Charge for the year	37,329	56,514	94,077	32,756	220,676
At 31 January 2016	608,443	1,390,049	206,049	961,625	3,166,166
Net book value					
At 31 January 2016	896,824	193,762	281,251	84,586	1,456,423
At 31 January 2015	927,162	210,982	341,639	86,888	1,566,671

The Group last revalued the property at 31 January 1996, and has elected not to adopt a policy of revaluation, thus explaining the existence of the revaluation reserve.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Motor vehicles and plant & machinery	191,310	243,271
	<u>191,310</u>	<u>243,271</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	1,203,968	1,196,977
Accumulated depreciation	(532,718)	(508,639)
Net book value	<u>671,250</u>	<u>688,338</u>

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

15. Fixed asset investments

Company

**Investments
in subsidiary
companies**

Cost

£

At 1 February 2015 and at 31 January 2016

436,338

**Net book value
At 31 January 2016**

436,338

At 31 January 2015

436,338

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Charles Henshaw & Sons Limited	Scotland	Ordinary	100%	Specialist glazing contractors

The aggregate of the share capital and reserves as at 31 January 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit for year £
Charles Henshaw & Sons Limited	<u>4,998,322</u>	<u>897,739</u>

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

16. Stocks

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Raw materials and consumables	219,017	214,597	-	-
Work in progress	3,582	5,601	-	-
	222,599	220,198	-	-

Raw materials, consumables and work in progress amounting to £31,631 were recognised within cost of sales in the year.

17. Debtors

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Trade debtors	3,088,651	3,833,591	-	-
Dividends receivable	-	-	300,000	25,000
Other debtors	9,563	7,138	-	-
Prepayments and accrued income	24,324	32,680	-	-
	3,122,538	3,873,409	300,000	25,000

18. Cash and cash equivalents

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Cash at bank and in hand	4,119,148	1,280,268	-	-
	4,119,148	1,280,268	-	-

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

19. Creditors: Amounts falling due within one year

	Group 2016 £	<i>Group 2015 £</i>	Company 2016 £	<i>Company 2015 £</i>
Trade creditors	1,659,431	2,264,873	-	-
Amounts owed to group undertakings	-	-	145,942	146,442
Corporation tax	225,500	60,939	-	-
Other taxation and social security	712,120	93,637	-	-
Net obligations under finance leases and hire purchase contracts	67,098	86,129	-	-
Dividends proposed	300,000	25,000	300,000	25,000
Accruals	1,093,953	62,898	-	-
	<u>4,058,102</u>	<u>2,593,476</u>	<u>445,942</u>	<u>171,442</u>

A bank overdraft facility is secured by a bond and floating charge over all of the Group's assets and by an intercompany guarantee with Charles Henshaw & Sons Limited.

20. Creditors: Amounts falling due after more than one year

	Group 2016 £	<i>Group 2015 £</i>	Company 2016 £	<i>Company 2015 £</i>
Net obligations under finance leases and hire purchase contracts	9,447	85,429	-	-
	<u>9,447</u>	<u>85,429</u>	<u>-</u>	<u>-</u>

Amounts due under finance leases and hire purchase contracts are secured on the assets financed by such agreements.

21. Hire purchase contracts & finance leases

Minimum lease payments under hire purchase contracts and finance leases fall due as follows:

	Group 2016 £	<i>Group 2015 £</i>	Company 2016 £	<i>Company 2015 £</i>
Not later than one year	67,098	86,129	-	-
Later than one year and not later than 5 years	9,447	85,429	-	-
	<u>76,545</u>	<u>171,558</u>	<u>-</u>	<u>-</u>

The Group uses hire purchase contracts and finance leases to acquire certain items of plant & machinery and motor vehicles. Generally the Group has the option to purchase the asset for nominal consideration at conclusion of the relevant agreements. The liabilities are secured by the lessor over the leased assets. The fair value of hire purchase contracts and finance lease liabilities is approximately equal to their carrying value.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

22. Financial instruments

	Group 2016 £	<i>Group 2015 £</i>	Company 2016 £	<i>Company 2015 £</i>
Financial assets measured at amortised cost	3,122,538	3,873,409	300,000	25,000
	<u>3,122,538</u>	<u>3,873,409</u>	<u>300,000</u>	<u>25,000</u>
Financial liabilities measured at amortised cost	(3,129,929)	(2,524,329)	(445,942)	(171,442)
	<u>(3,129,929)</u>	<u>(2,524,329)</u>	<u>(445,942)</u>	<u>(171,442)</u>

Financial assets measured at amortised cost comprise trade debtors, dividends receivable, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, proposed dividends, net obligations under finance leases and hire purchase contracts and accruals.

23. Deferred taxation

Group

	Deferred tax £
At 1 February 2015	(7,000)
Released in year	6,221
At 31 January 2016	<u>(779)</u>

The provision for deferred taxation is made up as follows:

	Group 2016 £	<i>Group 2015 £</i>
Accelerated capital allowances	(1,803)	(8,301)
Short term timing differences	1,024	1,301
	<u>(779)</u>	<u>(7,000)</u>

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

24. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
85,910 Ordinary Shares of £1 each	<u>85,910</u>	<u>85,910</u>
Class of shares	Prescribed particulars	
Ordinary	Ordinary shares have full rights in the company with respect to voting, dividends and capital distributions	

25. Reserves

Share premium

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Revaluation reserve

The revaluation reserve is being released to the profit and loss account over 40 years.

Profit and loss account

The profit and loss account considers the profit or loss for the year, any transfers from the revaluation reserve less any dividends paid/proposed.

26. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are administered by trustees in a fund independent from the Group.

The total contributions paid in the year amounted to £54,286 (2015: £46,137). At the year end there was an amount accrued of £10,553 (2015: £6,884).

The Group also has a defined benefit pension scheme which was closed to the accrual of future benefits in September 1997. Actuarial valuations are carried out on a triennial basis and any deficiency in valuation which may arise from time to time is corrected by deficit funding contributions.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using assumptions set prudently by the trustees on the advice of their actuary.

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

26. Pension commitments (continued)

The latest actuarial valuation as at 1 October 2013 showed assets of £5,059,000 and liabilities of £4,913,000 calculated on the Trustee's prudent funding basis, resulting in a surplus of £146,000. In December 2014 the actuary certified no deficit recovery contributions were required.

The major financial assumptions used by the actuary were:

	At 31/01/16	At 31/01/15
Discount rate	3.55%	2.80%
RPI price inflation	2.90%	2.70%
CPI price inflation	2.10%	1.90%
Revaluation in deferment	2.10%	1.90%
5% Limited price inflation	2.00%	1.80%
Mortality tables	S1PA CMI_2012 [1%]	S1PA CMI_2012 [1%]

The mortality assumptions adopted imply the following future life expectancies:

	2016
Current pensioners at age 65 - male	22.3 years
Current pensioners at age 65 - female	24.6 years
Future pensioners at age 65, aged 45 now - male	23.7 years
Future pensioners at age 65, aged 45 now - female	26.1 years

The following amounts are recognised in the Balance Sheet:

	Value at 31/01/16 £'000	% of Scheme assets	Value at 31/01/15 £'000	% of Scheme assets
Equities	2,241	44%	2,391	45%
Bonds	764	15%	744	14%
Diversified growth fund	1,834	36%	1,913	36%
Cash	255	5%	265	5%
Fair value of scheme assets	5,094	100%	5,313	100%
Present value of funded liabilities	(4,674)		(5,189)	
Unrecognised surplus	(420)		(124)	
Surplus/Deficit in scheme	-		-	

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2016

26. Pension commitments (continued)

Changes in the fair value of scheme assets are as follows:

	2016 £'000
Opening fair value of scheme assets	5,313
Interest income	143
Benefits paid	(201)
Re-measurement gains/(losses)	(161)
Closing fair value of scheme assets	5,094

Changes in the present value of the scheme liabilities are as follows:

	2016 £'000
Opening defined benefit liability	5,189
Interest cost	143
Benefits paid	(201)
Re-measurement (gains)/losses	(457)
Closing defined benefit liability	4,674
Actual return on scheme assets - loss	18

The following are recognised in the Consolidated Statement of Comprehensive Income:

Analysis of the amount to be charged to (interest payable)/receivable:

Net interest expense	-
	-

Analysis of net return on pension scheme:

Expected return on pension scheme assets	143
Interest on pension liability	(143)
Net return	-

Analysis of actuarial gain/(loss)

Actual return less expected return on pension scheme assets	(161)
Experience gains and losses on scheme liabilities	77
Changes in assumptions underlying the present value of scheme liabilities	380
Adjustment in respect of irrecoverable surplus	(296)
Actuarial gain/(loss) to be recognised	-

The cumulative amount of actuarial gains/(losses) taken to Other Comprehensive Income is £nil.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

26. Pension commitments (continued)

Movement in surplus during the year:	2016 £'000
Surplus in scheme at the beginning of the year	124
Movement in the year:	
Net return on pension scheme	-
Actuarial gain	296
	<u>420</u>
Surplus in scheme at the end of the year	<u>420</u>

The Group is not currently required to make any payments to the scheme for the year commencing 1 February 2016. This is in line with the Schedule of Contributions signed and dated 9 December 2014.

27. Commitments under operating leases

At 31 January 2016 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2016 £ Other	<i>Group 2015 £ Other</i>
Not later than 1 year	18,514	30,688
Later than 1 year and not later than 5 years	15,163	31,277
Later than 5 years	-	2,400
	<u>33,677</u>	<u>64,365</u>

28. Capital commitments

At 31 January 2016 the Group had approved and authorised capital expenditure of £nil (2015: £42,338).

29. Contingent liabilities

At 31 January 2016 the Group had performance bonds outstanding totalling £nil (2015: £154,020).

At 31 January 2016 the Company has given guarantees, mainly in the form of parent company guarantees, in respect of certain contractual obligations on behalf of its subsidiary company.

MAJOR'S PLACE INDUSTRIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2016**

30. Related party transactions

Advantage has been taken of the exemption granted by Financial Reporting Standard 102 Section 33.1A 'Related Party Disclosures' not to report details of transactions with entities which are 100% controlled by a common parent undertaking.

During the year management fees of £33,660 (2015: £33,626) were paid by the Group to Noble Grossart Limited. Noble Grossart Limited is a shareholder in the Company. As at 31 January 2016 the balance outstanding, included within accruals, was £16,830 (2015: £16,671). The balance outstanding is unsecured, for cash settlement in accordance with normal terms.

31. Transactions with directors

During the year the Company paid dividends of £7,386 (2015: £615) to the director, Sir A Grossart CBE QC, who is also a shareholder.

32. Ultimate controlling party

In the opinion of the directors, there is no ultimate controlling party.

33. 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.