



**MAJOR'S PLACE INDUSTRIES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2018**

THURSDAY



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**Registered number: SC075748**

# MAJOR'S PLACE INDUSTRIES LIMITED

## COMPANY INFORMATION

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**Directors** Sir A Grossart CBE QC  
B J W Lambie

**Company secretary** W K Ramage

**Registered number** SC075748

**Registered office** 24 Russell Road  
Edinburgh  
EH11 2LS

**Independent auditor** Scott-Moncrieff  
Chartered Accountants  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

# MAJOR'S PLACE INDUSTRIES LIMITED

## CONTENTS

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	Page
Group strategic report	1 – 2
Directors' report	3 – 4
Independent auditor's report	5 – 7
Consolidated statement of comprehensive income	8
Consolidated statement of financial position	9
Company statement of financial position	10
Consolidated statement of changes in equity	11
Company statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the financial statements	14 – 32

# **MAJOR'S PLACE INDUSTRIES LIMITED**

## **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2018**

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### **INTRODUCTION**

The directors present their strategic report for Major's Place Industries Limited for the year ended 31 January 2018.

### **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:

- The main risk to the business is a widespread reduction in construction activity in the UK, whatever the cause. Fewer available construction projects leads to increased competition between contractors and financial performance can be impacted by both tighter margins and falling turnover. We mitigate this risk by continuously improving our operating efficiency and by having a strong, well-capitalised balance sheet capable of surviving macro-economic shocks.
- There are still industry-wide supply chain pressures in terms of the price and availability of key materials and services. Time will tell if Brexit negotiations will ease or increase this pressure.

### **REVIEW OF BUSINESS AND KEY PERFORMANCE INDICATORS**

As reported in the Consolidated Statement of Comprehensive Income, turnover decreased in the year by 36% from £18.15m to £11.58m. Operating profit decreased from £806,354 to £101,525 and profit before taxation decreased from £810,896 to £102,568. Despite difficult trading conditions and uncertainty in the construction sector, the gross margin increased to 25.23% compared to 21.83% for the previous year. The net profit margin decreased from 4.47% to 0.89%.

The Consolidated Statement of Financial Position shows that the Group's net assets at the end of the year increased by £125,309 to £5.49m. Debtors decreased by £1.37m and creditors less than one year decreased by £974k. The liquidity of the Group reduced slightly with net current assets decreasing from £3.97m to £3.84m and cash at bank remained strong at £3.03m.

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

### **FUTURE DEVELOPMENTS**

The Group continues to win excellent new orders, and the order book for the year to January 2019 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 2018, the Board has declared a dividend of £nil (2017:£100,000).

The Group is making major investments in manufacturing, plant, equipment and training to ensure it remains in the forefront of our construction sector.

**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 21 June 2018 and signed on its behalf by:



**B J W Lambie**  
Director

## **MAJOR'S PLACE INDUSTRIES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2018**

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The directors present their report and the financial statements for the year ended 31 January 2018.

#### **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 2018, a dividend of £nil (2017: £100,000) 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 (cont'd)  
FOR THE YEAR ENDED 31 JANUARY 2018**

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**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, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 June 2018 and signed on its behalf by:



**W K Ramage**  
Secretary

### **Opinion**

We have audited the financial statements of Major's Place Industries Limited for the year ended 31 January 2018, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Groups' affairs as at 31 January 2018 and of its 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAJOR'S PLACE INDUSTRIES LIMITED  
(cont'd)**

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**Other information (cont'd)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

**Responsibilities of the directors**

As explained more fully in the Directors' Responsibilities Statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAJOR'S PLACE INDUSTRIES LIMITED  
(cont'd)

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Group'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's members, as a body, 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 the Group's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*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: 21 June 2018

**MAJOR'S PLACE INDUSTRIES LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JANUARY 2018**

	Note	2018 £	2017 £
Turnover	5	11,583,132	18,149,608
Cost of sales		(8,661,095)	(14,187,189)
<b>Gross profit</b>		<b>2,922,037</b>	<b>3,962,419</b>
Distribution costs		(1,414,562)	(1,684,204)
Administrative expenses		(1,405,950)	(1,471,861)
<b>Operating profit</b>	6	<b>101,525</b>	<b>806,354</b>
Interest receivable and similar income		1,118	7,662
Interest payable and expenses		(75)	(3,120)
<b>Profit on ordinary activities before tax</b>		<b>102,568</b>	<b>810,896</b>
Tax credit/(charge)	11	22,741	(202,840)
<b>Profit for the year</b>		<b>125,309</b>	<b>608,056</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>125,309</b>	<b>608,056</b>
Owners of the Parent Company		125,309	608,056
		<u>125,309</u>	<u>608,056</u>

The notes on pages 14 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2018

	Note	2018 £	2017 £
<b>Financial assets</b>			
Tangible assets	14	1,660,216	1,387,063
		<u>1,660,216</u>	<u>1,387,063</u>
<b>Current assets</b>			
Stocks	16	238,045	224,406
Debtors: amounts falling due within one year	17	2,552,299	3,920,963
Cash at bank and in hand		3,027,171	2,776,556
		<u>5,817,515</u>	<u>6,921,925</u>
Creditors: amounts falling due within one year	18	(1,974,375)	(2,948,552)
<b>Net current assets</b>		<u>3,843,140</u>	<u>3,973,373</u>
<b>Total assets less current liabilities</b>		<u>5,503,356</u>	<u>5,360,436</u>
<b>Provisions for liabilities</b>			
Deferred tax	21	(17,611)	-
		<u>(17,611)</u>	<u>-</u>
<b>Net assets</b>		<u><u>5,485,745</u></u>	<u><u>5,360,436</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	85,910	85,910
Share premium account	23	51,546	51,546
Revaluation reserve	23	239,739	253,059
Profit and loss account	23	5,108,550	4,969,921
<b>Equity attributable to owners of the Parent Company</b>		<u><u>5,485,745</u></u>	<u><u>5,360,436</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2018 by:



**B J W Lambie**  
Director

The notes on pages 14 to 32 form part of these financial statements.

**MAJOR'S PLACE INDUSTRIES LIMITED**

**COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Investments	15	436,338	436,338
		<u>436,338</u>	<u>436,338</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	-	100,000
Creditors: amounts falling due within one year	18	(144,942)	(245,442)
<b>Net current liabilities</b>		<u>(144,942)</u>	<u>(145,442)</u>
<b>Net assets</b>		<u>291,396</u>	<u>290,896</u>
<b>Capital and reserves</b>			
Called up share capital	22	85,910	85,910
Share premium account	23	51,546	51,546
Profit and loss account	23	153,940	153,440
		<u>291,396</u>	<u>290,896</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2018 by:



**B J W Lambie**  
Director

The notes on pages 14 to 32 form part of these financial statements.

MAJOR'S PLACE INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2018

	Share capital £	Share premium £	Revaluation reserve £	Retained earnings £	Equity attributable to owners of Parent Company / Total equity £
At 1 February 2017					
<b>Comprehensive income for the year</b>	<b>85,910</b>	<b>51,546</b>	<b>253,059</b>	<b>4,969,921</b>	<b>5,360,436</b>
Profit for the year	-	-	-	125,309	125,309
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,309</b>	<b>125,309</b>
<b>Contributions by and distributions to owners</b>					
Transfer from revaluation reserve to profit and loss account	-	-	(13,320)	13,320	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(13,320)</b>	<b>13,320</b>	<b>-</b>
<b>At 31 January 2018</b>	<b>85,910</b>	<b>51,546</b>	<b>239,739</b>	<b>5,108,550</b>	<b>5,485,745</b>
At 1 February 2016	85,910	51,546	266,379	4,448,545	4,852,380
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	608,056	608,056
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>608,056</b>	<b>608,056</b>
<b>Contributions by and distributions to owners</b>					
Dividends: Equity capital	-	-	-	(100,000)	(100,000)
Transfer from revaluation reserve to profit and loss account	-	-	(13,320)	13,320	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>(13,320)</b>	<b>(86,680)</b>	<b>(100,000)</b>
<b>At 31 January 2017</b>	<b>85,910</b>	<b>51,546</b>	<b>253,059</b>	<b>4,969,921</b>	<b>5,360,436</b>

MAJOR'S PLACE INDUSTRIES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2018

	Share capital £	Share premium £	Retained earnings £	Total equity £
At 1 February 2017	85,910	51,546	153,440	290,896
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	500	500
<b>Total comprehensive income for the year</b>	-	-	500	500
<b>At 31 January 2018</b>	<b>85,910</b>	<b>51,546</b>	<b>153,940</b>	<b>291,396</b>
At 1 February 2016	85,910	51,546	152,940	290,396
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	100,500	100,500
<b>Total comprehensive income for the year</b>	-	-	100,500	100,500
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(100,000)	(100,000)
<b>Total transactions with owners</b>	-	-	(100,000)	(100,000)
<b>At 31 January 2017</b>	<b>85,910</b>	<b>51,546</b>	<b>153,440</b>	<b>290,896</b>

**MAJOR'S PLACE INDUSTRIES LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2018**

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit for the financial year before tax	102,568	810,896
<b>Adjustments for:</b>		
Depreciation of tangible assets	217,728	204,891
Increase in stocks	(13,639)	(1,807)
Interest paid	75	3,120
Interest received	(1,118)	(7,662)
Decrease/(increase) in debtors	1,393,204	(798,425)
Decrease in creditors	(653,642)	(837,987)
Corporation tax	(195,276)	(217,531)
<b>Net cash generated from/(used in) operating activities</b>	<b>849,900</b>	<b>(844,505)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(532,387)	(189,215)
Sale of tangible fixed assets	41,506	53,684
Interest received	1,118	7,662
<b>Net cash used in investing activities</b>	<b>(489,763)</b>	<b>(127,869)</b>
<b>Cash flows from financing activities</b>		
HP interest paid	(75)	(3,120)
Repayment of finance leases	(9,447)	(67,098)
Dividends paid	(100,000)	(300,000)
<b>Net cash used in financing activities</b>	<b>(109,522)</b>	<b>(370,218)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>250,615</b>	<b>(1,342,592)</b>
Cash and cash equivalents at beginning of year	2,776,556	4,119,148
<b>Cash and cash equivalents at the end of year</b>	<b>3,027,171</b>	<b>2,776,556</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	3,027,171	2,776,556



**1. General information**

The Company is a United Kingdom private company limited by shares. It is both incorporated and domiciled in Scotland. The address of its registered office is 24 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 financial statements, prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' issued by the Financial Reporting Council, and the Companies Act 2006.

**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 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. Therefore they continue to apply the going concern basis of accounting in preparing the annual financial statements.

**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.

**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 'administration expenses' in the Consolidated Statement of Comprehensive Income.

**3. Accounting policies (cont'd)**

**3.6 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 Stocks**

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.

**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.

**3. Accounting policies (cont'd)**

**3.12 Financial instruments**

The Group and Company 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 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 Consolidated 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.

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 are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**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 Consolidated Statement of Financial Position. 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.

**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 Consolidated Statement of Financial Position.

**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 charge 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 corporation 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018

**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:

	2018 £	2017 £
Construction services	<u>11,583,132</u>	<u>18,149,608</u>

All turnover arose within the United Kingdom.

**6. Operating profit**

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	217,728	204,891
Operating lease rentals: motor vehicles and plant & machinery	<u>12,875</u>	<u>18,514</u>

**7. Auditor's remuneration**

	2018 £	2017 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	<u>11,700</u>	<u>11,475</u>
Non-audit fees payable to the Group's auditor in respect of:		
Taxation compliance services	<u>1,455</u>	<u>1,425</u>

The above costs were borne by the subsidiary company.



**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**8. Employees**

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

	2018 £	2017 £
Wages and salaries	2,623,748	2,746,278
Social security costs	254,542	253,324
Cost of defined contribution scheme	59,586	57,054
Cost of defined benefit scheme	(63,000)	150,000
	<u>2,874,876</u>	<u>3,206,656</u>

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

	2018 No.	2017 No.
Sales and administration	15	15
Production	51	57
	<u>66</u>	<u>72</u>

**9. Directors' remuneration**

	2018 £	2017 £
Directors' emoluments	<u>154,091</u>	<u>148,365</u>

During the year retirement benefits were accruing to no directors (2017: 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 £851,828 (2017: £964,699). Employers National Insurance paid on behalf of key management personnel amounted to £90,965 (2017: £98,116).

MAJOR'S PLACE INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018

11. Taxation	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	212,116
Adjustment in respect of prior periods	(40,352)	(8,497)
<b>Total current tax</b>	<b>(40,352)</b>	<b>203,619</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	17,611	(736)
Effect of tax rate change on opening balance	-	(43)
<b>Total deferred tax</b>	<b>17,611</b>	<b>(779)</b>
<b>Taxation on profit on ordinary activities</b>	<b>(22,741)</b>	<b>202,840</b>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 – *higher than*) the standard rate of corporation tax in the UK of 19.16% (2017 - 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	102,568	810,896
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.16% (2017 – 20%)	19,652	162,179
<b>Effects of:</b>		
Expenses not deductible for tax purposes	4,436	4,422
Depreciation for year in excess of capital allowances	7,783	7,474
Other differences	86	-
Adjust closing deferred tax to average rate	(2,239)	5,575
Adjust opening deferred tax to average rate	(4,019)	87
Deferred tax not recognised	(31,600)	31,600
Adjustments to tax charge in respect of prior periods	(40,352)	(8,497)
Losses carried back	23,512	-
<b>Total tax charge for the year</b>	<b>(22,741)</b>	<b>202,840</b>

**Factors that may affect future tax charges**

Following Budget 2016 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 3% by 2020.

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**12. Dividends**

	2018 £	2017 £
Dividends proposed on ordinary shares	-	100,000

**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 £500 (2017: £100,500).

**14. Tangible fixed assets**

Group	Heritable property £	Plant & machinery £	Motor vehicles £	Furniture & equipment £	Total £
<b>Cost</b>					
At 1 February 2017	1,511,957	1,596,868	479,728	1,071,491	4,660,044
Additions	6,404	323,801	189,420	12,762	532,387
Disposals	-	-	(188,630)	-	(188,630)
At 31 January 2018	1,518,361	1,920,669	480,518	1,084,253	5,003,801
<b>Depreciation</b>					
At 1 February 2017	645,882	1,426,903	202,542	997,654	3,272,981
Charge for the year	37,577	49,262	98,588	32,301	217,728
Released on disposal	-	-	(147,124)	-	(147,124)
At 31 January 2018	683,459	1,476,165	154,006	1,029,955	3,343,585
<b>Net book value</b>					
At 31 January 2018	834,902	444,504	326,512	54,298	1,660,216
At 31 January 2017	866,075	169,965	277,186	73,837	1,387,063

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.

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

	2018 £	2017 £
Cost	1,217,062	1,210,658
Accumulated depreciation	(581,272)	(556,931)
Net book value	635,790	653,727

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**14. Tangible fixed assets (cont'd)**

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

	2018 £	2017 £
Motor vehicles and plant & machinery	-	75,312

**15. Fixed asset investments**

**Company**

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 February 2017 and at 31 January 2018	436,338
<b>Net book value</b>	
At 31 January 2018 and 31 January 2017	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 2018 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	5,630,687	125,309

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**16. Stocks**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Raw materials and consumables	<b>228,369</b>	220,674	-	-
Work in progress	<b>9,676</b>	3,732	-	-
	<b>238,045</b>	224,406	-	-

Raw materials, consumables and work in progress amounting to £5,745,719 (2017: £8,032,573) were recognised within cost of sales in the year.

**17. Debtors**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Trade debtors	<b>2,491,707</b>	3,778,814	-	-
Dividends receivable	-	-	-	100,000
Other debtors	<b>5,258</b>	750	-	-
Prepayments and accrued income	<b>30,794</b>	29,710	-	-
VAT recoverable	-	111,689	-	-
Corporation tax recoverable	<b>24,540</b>	-	-	-
	<b>2,552,299</b>	3,920,963	-	100,000

**18. Creditors: Amounts falling due within one year**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Trade creditors	<b>1,100,388</b>	1,839,481	-	-
Amounts owed to group undertakings	-	-	<b>144,942</b>	145,442
Corporation tax	-	211,088	-	-
Other taxation and social security	<b>324,496</b>	81,461	-	-
Net obligations under finance leases and hire purchase contracts	-	9,447	-	-
Dividends proposed	-	100,000	-	100,000
Accruals	<b>549,491</b>	707,075	-	-
	<b>1,974,375</b>	2,948,552	<b>144,942</b>	245,442

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.

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**19. Hire purchase contracts & finance leases**

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

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
Not later than one year	-	9,447	-	-
	-	9,447	-	-

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.

**20. Financial instruments**

	<b>Group 2018 £</b>	<b>Group 2017 £</b>	<b>Company 2018 £</b>	<b>Company 2017 £</b>
<b>Financial assets</b>				
Financial assets measured at amortised cost	<b>5,524,136</b>	6,556,120	-	100,000
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<b>(1,649,879)</b>	(2,656,003)	<b>(144,942)</b>	(245,442)

Financial assets measured at amortised cost comprise cash at bank and in hand, 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.

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**21. Deferred taxation**

<b>Group</b>	<b>Deferred tax £</b>
At 1 February 2017	-
Movement in year	<u>17,611</u>
At 31 January 2018	<u>17,611</u>

The provision for deferred taxation is made up as follows:

	<b>Group 2018 £</b>	<b>Group 2017 £</b>
Accelerated capital allowances	18,270	-
Short term timing differences	(659)	-
	<u>17,611</u>	<u>-</u>

**22. Share capital**

	<b>2018 £</b>	<b>2017 £</b>
<b>Allotted, called up and fully paid</b>		
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

**23. Reserves**

**Share premium account**

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.

## MAJOR'S PLACE INDUSTRIES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2018

#### 24. 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 £59,586 (2017: £57,054). At the year end there was an amount accrued of £9,184 (2017: £11,145).

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 latest actuarial valuation as at 30 September 2016 showed a deficit of £85,000. The Group agreed with the trustees that it would aim to eliminate the deficit by making a one-off payment of £87,000 which was received by the plan during the year.

For accounting disclosure purposes, the valuation has been updated to 31 January 2018 by a qualified actuary.

The major financial assumptions used by the actuary were:

	At 31/01/18	At 31/01/17
Discount rate	2.50%	2.70%
RPI price inflation	3.30%	3.50%
CPI price inflation	2.50%	2.70%
Revaluation in deferment	2.50%	2.70%
5% Limited price inflation	2.40%	2.60%
Mortality tables	S1PA CMI_2016 [1%]	S1PA CMI_2012 [1%]

The mortality assumptions adopted imply the following future life expectancies:

	2018 Years
Current pensioners at age 65 - male	21.9
Current pensioners at age 65 - female	23.8
Future pensioners at age 65, aged 45 now - male	23.1
Future pensioners at age 65, aged 45 now - female	25.0



**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**24. Pension commitments (cont'd)**

The following amounts are recognised in the Statement of Financial Position:

	Value at 31/01/18 £'000	% of Scheme assets	Value at 31/01/17 £'000	% of Scheme assets
Equities	2,889	45%	2,373	41%
Bonds	863	13%	1,168	20%
Diversified growth fund	2,358	37%	2,023	35%
Cash	328	5%	283	4%
Fair value of scheme assets	6,438	100%	5,847	100%
Present value of funded liabilities	(5,171)		(5,426)	
Unrecognised surplus	(1,267)		(421)	
Surplus/Deficit in scheme	-		-	

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

	2018 £'000	2017 £'000
Opening fair value of scheme assets	5,847	5,094
Interest income	145	163
Benefits paid	(124)	(159)
Re-measurement gains	483	749
Contributions by the group	87	-
Closing fair value of scheme assets	6,438	5,847

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

	2018 £'000	2017 £'000
Opening defined benefit liability	5,426	4,674
Interest cost	145	163
Benefits paid	(124)	(159)
Re-measurement (gains)/losses	(276)	748
Closing defined benefit liability	5,171	5,426
Actual return on scheme assets – gain	628	912

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

Analysis of net return on pension scheme:

Expected return on pension scheme assets	145	163
Interest on pension liability	(145)	(163)
Contributions by the group	87	-
Net return	87	-

**MAJOR'S PLACE INDUSTRIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2018**

**24. Pension commitments (cont'd)**

	<b>2018</b>	<i>2017</i>
	<b>£'000</b>	<i>£'000</i>
<b>Analysis of actuarial (loss)</b>		
Actual return less expected return on pension scheme assets	<b>483</b>	<i>749</i>
Changes in assumptions underlying the present value of scheme liabilities	<b>55</b>	<i>(748)</i>
Adjustment in respect of irrecoverable surplus	<b>(846)</b>	<i>(1)</i>
Experience gains arising on plan liabilities	<b>221</b>	<i>-</i>
	<u><b>(87)</b></u>	<u><i>-</i></u>
Actuarial loss to be recognised	<u><b>(87)</b></u>	<u><i>-</i></u>

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

**Movement in surplus during the year:**

Surplus in scheme at the beginning of the year	<b>421</b>	<i>420</i>
Movement in the year:		
Actuarial gain	<b>846</b>	<i>1</i>
	<u><b>1,267</b></u>	<u><i>421</i></u>
Surplus in scheme at the end of the year	<u><b>1,267</b></u>	<u><i>421</i></u>

The Group is not currently required to make any payments to the scheme for the year commencing 1 February 2018. This is in line with the Schedule of Contributions signed and dated 7 November 2017.

**25. Commitments under operating leases**

At 31 January 2018 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group</b>	<i>Group</i>
	<b>2018</b>	<i>2017</i>
	<b>£</b>	<i>£</i>
	<b>Other</b>	<i>Other</i>
Not later than 1 year	<b>19,992</b>	<i>21,955</i>
Later than 1 year and not later than 5 years	<b>15,562</b>	<i>35,554</i>
	<u><b>35,554</b></u>	<u><i>57,509</i></u>

**26. Contingent liabilities**

At 31 January 2018 the Company has given guarantees, mainly in the form of parent company guarantees, in respect of certain obligations on behalf of its subsidiary company.

**27. 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 £35,500 (2017: £34,100) were paid by the Group to Noble Grossart Limited. Noble Grossart Limited is a shareholder in the Company. As at 31 January 2018 the balance outstanding, included within accruals, was £17,600 (2017: £17,050). The balance outstanding is unsecured, for cash settlement in accordance with normal terms.

**28. Transactions with directors**

During the year the Company paid dividends of £nil (2017: £2,462) to the director, Sir A Grossart CBE QC, who is also a shareholder.

**30. Ultimate controlling party**

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