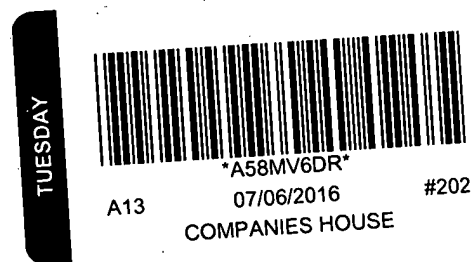




Mears Scotland (Services) Limited
Financial Statements
For the year ended 31 December 2015



Company No. SC208636

Company information

Company registration number	SC208636
Registered office	Morrison House Ellismuir Way Tannochside Park, Uddingston Glasgow G71 5QA
Directors	W Docherty D J Miles A C M Smith
Secretary	B R Westran
Bankers	Barclays Bank PLC Corporate Banking 4th Floor Bridgwater House Counterslip Finzels Reach Bristol BS1 6BX
Solicitors	BPE St James' House St James' Square Cheltenham Gloucestershire GL50 3PR
Auditor	Grant Thornton UK LLP Chartered Accountants Hartwell House 55 - 61 Victoria Street Bristol BS1 6FT

Contents

	Page
Strategic Report	3
Report of the Directors	4 - 5
Report of the independent auditor	6
Principal accounting policies	7 - 9
Profit and loss account	10
Balance sheet	11
Other primary statements	12
Statement of changes in equity	13
Notes to the financial statements	14 - 20

Strategic Report

Business review

The company reports turnover for the year of £20,954,000 (2014: £19,858,000) and operating profit of £1,556,000 (2014: £1,090,000).

The company has continued to provide staff to Mears Scotland LLP on a cost plus basis. On 31 January 2016, Mears Scotland LLP transferred these employees in-house. As a result, the Company ceased to trade at 31 January 2016.

Key Performance Indicators (KPIs)

The Directors of Mears Group PLC manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the company is neither necessary or appropriate for an understanding of the development, performance and position of the company. The development, performance and position of the company is included within the Annual Report of Mears Group PLC, the ultimate parent company.

The Company has continued to develop its contract management system. Some secondary KPIs are monitored on a real time basis through what is known internally as the Digital Dashboard.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to commercial relationships and skills shortages. Further discussion of these risks and uncertainties, in the context of the Mears Group as a whole which includes Mears Scotland (Services) Limited, is provided in the Mears Group PLC annual report which does not form part of this report.

This report was approved by the Board on 18 May 2016 and is signed on its behalf by:



.....
B R Westran
Company secretary

Report of the Directors

The Directors present their report and the financial statements of the Company for the year ended 31 December 2015.

Principal activities

The principal activity of the Company during the year continued to be the provision of staff on a cost plus basis to Mears Scotland LLP.

Results and dividends

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements and discussed in the strategic review. The Company made a profit for the year of £1,284,000 (2014: £329,000).

The directors have not recommended a dividend for 2015 or 2014.

Directors

The directors who served the Company during the year were as follows:

W Docherty
D J Miles
A C M Smith

Disabled employees

Applications for employment by disabled employees are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the Company may continue.

It is the policy of the Company that training, career development and promotion opportunities should be available to all employees.

Employee involvement

The Company has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Company.

This is achieved through consultations with employee representatives and a Company newsletter.

The Company has received recognition under the Investors in People scheme and continues to involve its staff in the future development of the business.

Report of the Directors - continued

Directors' responsibilities

The Directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern consideration

Mears Group PLC, the parent company, has a centralised treasury arrangement and so shares banking arrangements with its subsidiaries.

After making enquiries, the Directors believe that the Group and Company have adequate resources to continue in operational existence for the foreseeable future, and they have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Group to continue as a going concern or its ability to continue with the current banking arrangements. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Auditor

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with s489 of the Companies Act 2006.

This report was approved by the Board on 18 May 2016 and is signed on its behalf.



B R Westran
Company secretary

Report of the independent auditor to the member of Mears Scotland (Services) Limited

We have audited the financial statements of Mears Scotland (Services) Limited for the year ended 31 December 2015 which comprise the Balance sheet, the Profit and loss account, the Statement of other comprehensive income, the Statement of changes in equity 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' responsibilities Statement set out on page 5, 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Mark Bishop

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Bristol

18 May 2016

Principal accounting policies

Statement of compliance

Mears Scotland (Services) Limited is a limited liability company incorporated in the United Kingdom. Its registered office is Morrison House, Ellismuir Way, Tannochside Park, Uddingston, Glasgow, G71 5QA.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2015.

The Company transitioned from the previously extant UK GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in the Notes to the accounts.

Basis of accounting

The financial statements of Mears Scotland (Services) Limited have been prepared in accordance with applicable accounting standards, including FRS 102, and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for any modification to a fair value basis for certain financial instruments specified in the accounting policies below. The financial statements are presented in Sterling (£).

Summary of disclosure exemptions

The Company has taken advantage of the reduced disclosures for subsidiary entities provided for in FRS 102 and has therefore not provided a Statement of Cash Flows or certain disclosures in respect of share based payments. The Company has also taken advantage of the exemption from disclosing key management personnel compensation.

Name of parent of group

These financial statements are consolidated in the financial statements of Mears Group PLC.

The financial statements of Mears Group PLC may be obtained from The Company Secretary, Mears Group PLC, 1390 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH.

Going concern

The financial statements have been prepared on a going concern basis. Although the Company ceased to trade after the year end on 31 January 2016, the Directors consider that it will continue to have sufficient funds to remain in business and meet its obligations as they fall due.

Exemption from preparing group accounts

The financial statements contain information about Mears Scotland (Services) Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Mears Group PLC, a company incorporated in the United Kingdom.

Turnover

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

Tangible assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	over the period of the lease
Plant and machinery	-	25% per annum, reducing balance

Principal accounting policies - continued

Retirement Benefits

Defined contribution pension schemes

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company. The annual contributions payable are charged to the profit and loss account.

Taxation

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only where it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Principal accounting policies - continued

Financial instruments

Financial assets and liabilities are recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Company are as follows:

Financial assets

Basic financial assets, including trade and other debtors, amounts owed by Group companies, cash and cash equivalents, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Cash and cash equivalents include cash at bank and in hand and bank deposits available with no notice or less than three months' notice from inception that are subject to an insignificant risk of changes in value. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

Financial liabilities

Basic financial liabilities, including trade and other creditors, accrued expenses, and amounts owed to Group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities are derecognised when the liability is extinguished; that is, when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Shares

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Profit and loss account

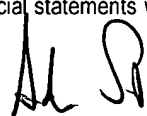
	Note	2015 £ 000	2014 £ 000
Turnover	1	20,954	19,858
Cost of sales		<u>(19,316)</u>	<u>(18,381)</u>
Gross profit		1,638	1,477
Other operating charges	2	<u>(82)</u>	<u>(387)</u>
Operating profit		1,556	1,090
Net interest	5	<u>-</u>	<u>(69)</u>
Profit on ordinary activities before tax		1,556	1,021
Tax on profit on ordinary activities	6	<u>(272)</u>	<u>(692)</u>
Profit for the financial year		<u><u>1,284</u></u>	<u><u>329</u></u>

All of the activities of the Company are classed as continuing.

Balance sheet

	Note	2015 £ 000	2014 £ 000
Current assets			
Debtors	8	5,177	4,069
Cash at bank and in hand		<u>38</u>	<u>2</u>
		5,215	4,071
Creditors: amounts falling due within one year	9	<u>(772)</u>	<u>(912)</u>
		<u>4,443</u>	<u>3,159</u>
Capital and reserves			
Called up share capital	14	1	1
Profit and loss account		<u>4,442</u>	<u>3,158</u>
Shareholder's funds		<u>4,443</u>	<u>3,159</u>

The financial statements were approved and authorised for issue by the Directors and are signed on their behalf on 18 May 2016.



A C M Smith
 Director

Other primary statements

Statement of other comprehensive income

	Note	2015 £ 000	2014 £ 000
Profit for the financial year		1,284	329
Adjustments in respect of defined benefit pension schemes			
Actuarial gains/(losses)	12	-	(8,349)
Deferred tax	11	-	3,168
		<u>-</u>	<u>(5,181)</u>
Total comprehensive income relating to the year		<u>1,284</u>	<u>(4,852)</u>

Statement of changes in equity

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2014	1	8,010	8,011
Profit for the year	-	329	329
Other comprehensive income	-	(5,181)	(5,181)
Total comprehensive income	-	(4,852)	(4,852)
At 31 December 2014	1	3,158	3,159
	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2015	1	3,158	3,159
Profit for the year	-	1,284	1,284
Total comprehensive income	-	1,284	1,284
At 31 December 2015	1	4,442	4,443

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the Company. All turnover is derived from within the United Kingdom.

2 Other operating charges

	2015 £ 000	2014 £ 000
Administrative expenses	<u>82</u>	<u>387</u>

3 Auditors' remuneration

Fees payable to the auditor for the period:

	2015 £ 000	2014 £ 000
For the audit of the Company's financial statements	21	19
For taxation compliance services	<u>-</u>	<u>1</u>

4 Employees

The average number of staff employed by the Company, including directors, during the financial year amounted to:

	2015 No.	2014 No.
Administrative staff	106	105
Operatives	<u>475</u>	<u>451</u>
	<u>581</u>	<u>556</u>

The aggregate payroll costs of the above were:

	2015 £ 000	2014 £ 000
Wages and salaries	16,132	15,572
Social security costs	1,434	1,127
Other pension costs	<u>1,747</u>	<u>1,753</u>
	<u>19,313</u>	<u>18,452</u>

Included in the above is remuneration in respect of Directors, as follows:

	2015 £ 000	2014 £ 000
Emoluments receivable	131	139
Value of Company pension contributions to money purchase schemes	<u>10</u>	<u>10</u>
	<u>141</u>	<u>149</u>

Notes to the financial statements (continued)

4 Employees (continued)

Emoluments of highest paid Director:

	£ 000	£ 000
Total emoluments (excluding pension contributions)	131	139
Value of Company pension contributions to money purchase schemes	10	10
	<u>141</u>	<u>149</u>

The number of Directors who accrued benefits under Company pension schemes was as follows:

	No.	No.
Money purchase schemes	<u>1</u>	<u>1</u>

5 Net interest

	2015 £ 000	2014 £ 000
Other interest paid	<u>-</u>	<u>(69)</u>

6 Taxation on ordinary activities

	2015 £ 000	2014 £ 000
Analysis of charge in the year		
Current tax:		
UK Corporation tax based on the results for the year	295	219
Adjustment in respect of prior periods	<u>(23)</u>	<u>187</u>
Total current tax	272	406
Deferred tax:		
Change in tax rate	-	74
Accelerated Capital allowances	-	15
Other short term timing differences	<u>-</u>	<u>197</u>
Total deferred tax	-	286
Tax on profit on ordinary activities	<u>272</u>	<u>692</u>

Notes to the financial statements (continued)

6 Taxation on ordinary activities (continued)

Factors affecting tax charge for the year

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK. During the period the average corporation tax rate was 20.25% (2014: 21.5%).

	2015 £ 000	2014 £ 000
Profit on ordinary activities before taxation	<u>1,556</u>	<u>1,021</u>
Profit on ordinary activities multiplied by standard rate of tax	315	220
Effects of:		
Expenses not deductible for tax purposes	(18)	-
Deferred tax expense (credit) relating to changes in tax rates or laws	-	74
Depreciation for period in excess of capital allowances	(2)	13
Tax increase (decrease) from effect of unrelieved tax losses carried forward	-	198
Adjustment to tax in respect of prior periods	<u>(23)</u>	<u>187</u>
Total tax charge for the year	<u>272</u>	<u>692</u>

7 Tangible fixed assets

	Leasehold property improvements £ 000	Plant and machinery £ 000	Total £ 000
Cost or valuation			
At 1 January 2015	<u>403</u>	<u>580</u>	<u>983</u>
At 31 December 2015	<u>403</u>	<u>580</u>	<u>983</u>
Depreciation			
At 1 January 2015	<u>403</u>	<u>580</u>	<u>983</u>
At 31 December 2015	<u>403</u>	<u>580</u>	<u>983</u>
Carrying amount			
At 31 December 2015	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2014	<u>-</u>	<u>-</u>	<u>-</u>

8 Debtors

	2015 £ 000	2014 £ 000
Other debtors	26	27
Amounts owed by group undertakings	<u>5,151</u>	<u>4,042</u>
	<u>5,177</u>	<u>4,069</u>
The debtors above include the following amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>5,151</u>	<u>4,042</u>

Notes to the financial statements (continued)

9 Creditors: amounts falling due within one year

	2015 £ 000	2014 £ 000
Corporation tax	296	410
Other taxation and social security	338	310
Other creditors	138	192
	<u>772</u>	<u>912</u>

10 Financial instruments

The Company has the following financial instruments:

	2015 £ 000	2014 £ 000
Financial assets that are debt instruments measured at amortised cost		
Amounts owed by group undertakings	5,151	4,042
Other debtors	26	27
	<u>5,177</u>	<u>4,069</u>
Financial liabilities measured at amortised cost		
Other creditors	138	192
	<u>138</u>	<u>192</u>

The Company uses financial instruments, other than derivatives, comprising borrowings, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to finance the Company's operations. The Company has no interests in the trade of financial instruments, interest rate swaps or forward interest rate agreements.

The Company charges or pays interest at market rate on intragroup loans classified as financing transactions.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk.

The Company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Company has no overdraft.

Trade debtors are normally due within 30 to 60 days. All trade debtors are subject to credit risk exposure. However there is no specific concentration of credit risk as the amounts recognised represent a large number of receivables from various customers.

Notes to the financial statements (continued)

11 Deferred tax

Deferred tax assets and liabilities

	Accelerated capital allowances £ 000	Other short term timing differences £ 000	Pension scheme £ 000	Total £ 000
At 1 January 2014	15	198	(3,094)	(2,881)
Deferred tax charge in profit and loss account				
- Change in tax rate	-	-	(74)	(74)
- On origination and reversal of timing differences	(15)	(198)	-	(213)
Deferred tax charge in other comprehensive income				
- Change in tax rate	-	-	222	222
- On origination and reversal of timing differences	-	-	2,946	2,946
At 1 January 2015 and 31 December 2015	-	-	-	-

Deferred tax is calculated on temporary differences under the liability method.

12 Pension commitments

The Morrison Facilities Pension Scheme (MFPS scheme) provides final salary pension benefits to current and past members of staff. The assets of the MFPS scheme are held within a fund that is separate from the administration and finances of the company and Group.

At 1 January 2014, the pension fund assets and liabilities were transferred to Morrison Facilities Services Limited as the principal employer of the scheme.

Principal actuarial assumptions

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2015 %	2014 %
Discount rate	-	4.00
Future salary increases - first year	-	1.00
Future salary increases - second year	-	2.20
Future salary increases - long term	-	3.25
Future pension increases - capped at 5% based on RPI	-	3.15
Future pension increases - capped at 3% based on RPI	-	2.50
Future pension increases - capped at 5% based on CPI	-	2.35
Future pension increases - capped at 3% based on CPI	-	2.05
RPI Inflationary growth	-	3.25
CPI Inflationary growth	-	2.35

Notes to the financial statements (continued)

12 Pension commitments (continued)

The mortality assumptions used were as follows:

	2015 years	2014 years
Longevity at age 65 for current pensioners		
- Males	-	20.0
- Females	-	23.0
Longevity at age 65 for future pensioners		
- Males	-	22.0
- Females	-	25.0

Analysis of assets

The major categories of scheme assets are as follows:

Defined benefit obligation

Reconciliation of the present value of the defined benefit obligation:

	2015 £ 000	2014 £ 000
Opening defined benefit obligation	-	71,912
Transfer out	-	(71,912)
Closing defined benefit obligation	-	-

Fair value of scheme assets

Reconciliation of fair value of scheme assets:

	2015 £ 000	2014 £ 000
Opening fair value of plan assets	-	86,643
Transfer out	-	(86,643)
Closing fair value of plan assets	-	-

The amounts recognised in statement of recognised gains and losses are as follows:

	2015 £ 000	2014 £ 000
Actuarial gain on TUPE transfer of employees	-	(14,731)
Transfer of assets to group company through intercompany	-	6,382
Actuarial gains/(losses)	-	(8,349)

The pension scheme has not invested in any of the Company's own financial instruments or in properties or other assets used by the company.

Notes to the financial statements (continued)

13 Related party transactions

The Group of which the Company is a member has a central treasury arrangement in which all Group companies participate and procures a number of goods and services centrally which are recharged to its subsidiaries at cost. The Directors do not consider it meaningful to set out details of transfers made in respect of this treasury arrangement, nor the recharge of centrally procured goods and services, nor do they consider it meaningful to set out details of interest or dividend payments made within the Group.

Transactions with other related parties

The company holds a contract with Mears Scotland LLP, a fellow subsidiary of Morrison Facilities Services Limited, to supply staff for a contract with North Lanarkshire Council.

During the period the company recognised turnover with Mears Scotland LLP of £20,954,000 (2014: £19,847,000) and at the year end there was no balance outstanding in respect of these transactions (2014: £nil).

14 Share capital

Allotted, called up and fully paid share capital

	2015 £	2014 £
'A' ordinary shares of £1 each	667	667
'B' ordinary shares of £1 each	333	333
	<u>1,000</u>	<u>1,000</u>

The 'A' shares carry voting rights and the right to appoint the directors of the company. The 'B' shares do not carry voting rights. The 'A' and 'B' shares rank equally for the payment of dividends and the distribution of assets on the winding up of the company.

15 Ultimate parent company

The Directors consider that the ultimate parent undertaking and controlling related party of this Company is its parent undertaking Mears Group PLC by virtue of its 100% shareholding.

The largest and smallest group of undertakings for which Group accounts have been drawn up is that headed by Mears Group PLC. The accounts are available from The Company Secretary, Mears Group PLC, 1390 Montpellier Court, Gloucester Business Park, Brockworth, Gloucester GL3 4AH.

16 Transition to FRS 102

The Company transitioned to FRS 102 as at 1 January 2014. There were no adjustments, other than presentational, required as a result of the transition.