

**Registration Number: 01292982**

**Monier (China) Holdings Limited**

**Annual Report and Financial Statements**

**For The Year Ended 31 December 2015**

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# **Monier (China) Holdings Limited**

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# **Monier (China) Holdings Limited**

## **Officers and professional advisers**

### **Directors**

Mr R Forster

Mr J Bradley

Mr M J Russell

### **Company Secretary**

Mr J. Bradley

### **Registered office**

Spectrum House  
Beehive Ring Road  
Gatwick  
Crawley  
West Sussex  
RH6 0LG

### **Bankers**

DBS Bank (Hong Kong) Limited  
1209-1218 12<sup>th</sup> Floor Miramar Tower  
132-134 Nathan Road Tsimshatsui  
Kowloon, Hong Kong  
SAR

### **Independent auditor**

KPMG LLP  
1 Forest Gate  
Brighton Road, Crawley  
West Sussex  
RH11 9PT

# Monier (China) Holdings Limited

## Directors' report

The directors submit their annual report and the audited financial statements of the Company for the year ended 31 December 2015.

### Principal Activity

The company's principal activity is as a holding company for Roofing manufacturing companies in China and it holds investments in six manufacturing plants in China. The company expects to continue in this activity for the foreseeable future.

Based on the forecasts performed by local management combined with analysis of local market operating conditions there is nothing to indicate that the business will not continue with its operating activities for the foreseeable future and can therefore be deemed to be a going concern. A dividend is expected to be received in the next financial year for the sale and closure of the Nanjing plant. Based on the expected sale price there will be no financial loss on the sale.

### Directors

The directors who held office throughout the year are as follows:

Mr R Forster

Dr C G Pohl (resigned 12<sup>th</sup> April 2016)

Mr J Bradley (appointed 12<sup>th</sup> April 2016)

Mr M J Russell

The company secretaries who held office throughout the year and subsequent to year end were:

Mr G A G Shepherd (resigned 2 November 2015)

Mr J J Bradley (appointed 2 November 2015)

### Dividends

No interim or final dividend has been paid or proposed for the year (2014: £nil).

### Political contributions

The Company made no political donations and did not incur any political expenditure during the year (2014: £nil).

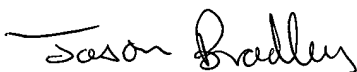
### Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Re-appointment of auditor

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

Approved by the Board of Directors and signed on behalf of the Board



J Bradley

Director

24 May 2016

# Monier (China) Holdings Limited

## Strategic report

### Business Review

The company's loss after tax for the year was £560,000 (2014: Profit £2,015,000).

As at 31 December 2015, the Company has net assets of £20,045,000 (31 December 2014: £20,605,000).

The company's key financial and other performance indicators during the year are as follows:

	2015 (£'000)	2014 (£'000)
Operating (loss)/profit	(616)	(588)
(Loss)/profit before tax	(605)	2,154

### Principal Risks and Uncertainties

The company's activities expose it to a number of financial risks including foreign exchange risk, interest risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors of Braas Monier Building Group S.A who provide written principles on the use of financial derivatives to manage such risks. The company does not hold derivative financial instruments for speculative purposes.

#### Foreign Exchange Risk

All investments are in the local currency of the subsidiaries and so there is exposure to changes in the exchange rate that could impact the value of the holding. As these investments are long term no hedging is deemed to be appropriate.

#### Interest rate risk

The company receives and pays interest on cash balances pooled with other UK companies in the Group headed by the ultimate parent company. Interest is calculated based on the overall pooled cash balance and allocated to group companies based on their cash balance.

#### Liquidity risk

On 17th April 2014 the Braas Monier Building Group underwent a successful refinancing and on 25th June 2014, the parent, Braas Monier Building Group S.A. was floated on the Frankfurt Stock Exchange. These two events resulted in a reduction in the external debt and the interest charge. Management believe that the Group has therefore secured a stable and long term financial platform upon which it will build in the future.

Approved by the Board of Directors and signed on behalf of the Board



J Bradley  
Director

24 May 2016

# **Monier (China) Holdings Limited**

## **Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

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

## **Independent auditor's report to the members of Monier (China) Holdings Limited**

We have audited the financial statements of Monier (China) Holdings Limited for the year ended 31 December 2015 set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

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

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

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

## **Independent auditor's report to the members of Monier (China) Holdings Limited (continued)**

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

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

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



**Mark Sheppard (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
1 Forest Gate  
Brighton Road  
Crawley RH11 9PT

27 May 2016



# Monier (China) Holdings Limited

## Profit and loss account For the year ended 31 December 2015

	<i>Note</i>	<b>2015 £'000</b>	<b>2014 £'000</b>
Administrative costs		(363)	(588)
Sunk Factory Costs (Wuhan)	2	(253)	-
<b>Operating loss</b>		<b>(616)</b>	<b>(588)</b>
Income from investments in subsidiary undertakings		-	1,395
Reversal of impairment in subsidiary undertakings		-	1,338
Interest receivable	3	11	9
<b>(Loss)/profit on ordinary activities before taxation</b>	2	<b>(605)</b>	<b>2,154</b>
Tax credit/(charge) on profit on ordinary activities	5	45	(139)
<b>(Loss)/profit for the financial year</b>		<b>(560)</b>	<b>2,015</b>

The results shown above are in respect of continuing operations.

There are no further recognised gains or losses for the current financial year or previous financial year other than as stated in the profit and loss account.

The notes on pages 10 to 17 form part of these financial statements.

# Monier (China) Holdings Limited

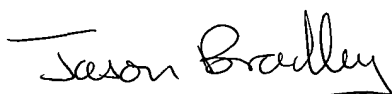
## Balance Sheet at 31 December 2015

	Note	2015 £'000	2014 £'000
<b>Fixed assets</b>			
Investments	6	18,667	18,667
		<u>18,667</u>	<u>18,667</u>
<b>Current assets</b>			
Debtors : amounts falling due within one year (including £47,000(2014: £40,000) due after more than one year)	7	87	48
Cash at bank		2,186	2,560
		<u>2,273</u>	<u>2,608</u>
<b>Creditors : amounts falling due within one year</b>	8	<u>(895)</u>	<u>(670)</u>
<b>Net current asset</b>		<u>1,378</u>	<u>1,938</u>
<b>Total assets less current liabilities</b>		<u>20,045</u>	<u>20,605</u>
<b>Total net assets</b>		<u>20,045</u>	<u>20,605</u>
<b>Capital and reserves</b>			
Called up share capital	10	18,850	18,850
Profit and loss account		<u>1,195</u>	<u>1,755</u>
<b>Total shareholders' funds</b>		<u>20,045</u>	<u>20,605</u>

The notes on pages 10 to 17 form part of these financial statements.

The financial statements of Monier (China) Holdings Limited, registered number 01292982, were approved by the board of directors and authorised for issue on 24 May 2016.

Signed on behalf of the Board of Directors



**J Bradley**  
Director

# Monier (China) Holdings Limited

## Statement of Changes in Equity For the year ended 31 December 2015

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2014	18,850	(260)	18,590
Profit for the period	-	2,015	2,015
<b>Balance at 31 December 2014</b>	<b>18,850</b>	<b>1,755</b>	<b>20,605</b>
Balance at 1 January 2015	18,850	1,755	20,605
Loss for the period	-	(560)	(560)
<b>Balance at 31 December 2015</b>	<b>18,850</b>	<b>1,195</b>	<b>20,045</b>

# Monier (China) Holdings Limited

## Notes to the accounts for the year ended 31 December 2015

### 1 Accounting policies

Monier (UK) Holdings Limited is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Company is provided in Note 13.

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

- Separate financial instruments – carrying amount of the Company's cost of investment in subsidiaries is its deemed cost at 1 January 2014.

The Company's parent undertaking, Brass Monier Building Group S.A., includes the Company in its consolidated financial statements. The consolidated financial statements of Brass Monier Building Group S.A. are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Communications Department, Brass Monier Building Group S.A., Frankfurter Landstrasse 2-4, D-61440 Oberursel, Germany. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

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

As the consolidated financial statements of Brass Monier Building Group S.A. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 12.

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 1 Accounting policies (continued)

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting

#### **Taxation**

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

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### **Basic financial instruments**

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at cost, less any impairment losses in the case of trade debtors.

##### *Investments in subsidiaries*

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment. Dividends from group companies are accounted for on a receipts basis.

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 1 Accounting policies (continued)

#### Impairment excluding deferred tax assets

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### Foreign currencies

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

#### Going concern

The financial statements have been prepared on a going concern basis which assumes the Company will continue in operational existence for the foreseeable future. The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review of the Strategic Report on page 3.

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 1 Accounting policies (continued)

#### Going concern (continued)

As at 31 December 2015, the Company has net assets of £20,045,000 (31 December 2014: £20,605,000). In the 2015, year the company made a loss after tax of £560,000. However, the company is expected to remain profitable going forward.

In preparing the financial statements careful consideration has been given to the likely trading environment over the next twelve months. There is no indication or reason to believe that the business will not be a going concern moving forwards. Budgets are prepared and reviewed by local and regional management ensuring that the business has adequately analysed, considered and understood its operating environment for the next 12 months.

Having considered all of the above factors, the company's Board concluded that it is appropriate to assume that the group's covenants will be met and therefore the guarantee secured on the company's assets will not be called upon. For this reason they have adopted the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

#### Contingent liabilities

Substantially all assets of the company are granted as security to the lenders of the Braas Monier Building Group SA under the amended Senior Facility Agreement dated April 9th 2014.

### 2 Expenses and auditor's remuneration

Included in (loss)/profit is auditor's remuneration of £3,500 (2014: £3,500).

Also included in this year's loss is £253,000 of sunk costs in relation to the set up of a factory in Wuhan. Approval for this project was withdrawn during the year due to a poor trading environment.

### 3 Interest receivable

	2015 £'000	2014 £'000
Interest receivable from parent undertakings	11	9

### 4 Information regarding directors and employees

The remuneration of directors was borne by other group companies in the year.

	Number	Number
<b>Average number of persons employed</b>		
Administration (excluding directors)	2	2
	£'000	£'000
<b>Staff costs during the year</b>		
Wages and salaries	279	481
Social security costs	36	42
	315	523

No contribution was made to money purchase pension scheme during the year (2014: £nil).

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 5 Taxation

	2015 £'000	2014 £'000
<b>Total tax expense recognised in the profit and loss account</b>		
<i>Current tax</i>		
Current tax on income for the period	(39)	133
Adjustments in respect of prior periods	-	(2)
Total current tax	(39)	131
<i>Deferred Tax (see Note 9)</i>		
Origination and reversal of timing differences	(11)	8
Change in tax rate	5	-
Total deferred tax	(6)	8
Total tax	(45)	139

#### Analysis of current tax recognised in profit and loss

	2015 £'000	2014 £'000
UK corporation tax	(39)	(8)
Foreign tax	-	139
Total current tax recognised in profit and loss	(39)	131

#### Reconciliation of effective tax rate

	2015 £'000	2014 £'000
(Loss)/profit for the year	(560)	2,015
Total tax (charge)/credit	(45)	139
(Loss)/Profit excluding taxation	(605)	2,154
Tax using the UK corporation tax rate of 20.25% (2014: 21.5%)	(123)	463
Effect of tax rates in foreign jurisdictions	-	139
Overseas income not taxable	-	(300)
Transfer pricing adjustments	71	127
Adjustment in respect of prior year	7	(2)
Write back of investment	-	(288)
Total tax expense included in profit or loss	(45)	139

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax asset at 31 December 2015 has been calculated based on these rates. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly and reduce the deferred tax asset.



# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 6 Fixed asset investments

Shares in subsidiary undertakings:

	2015 £'000	2014 £'000
<b>Cost</b>		
At 1 January	18,667	18,667
At 31 December	18,667	18,667
<b>Provisions</b>		
At 1 January	-	(1,338)
Reversals in the year	-	1,338
At 31 December	-	-
<b>Net Book Value</b>		
At 31 December	18,667	18,667
At 31 December	18,667	18,667

Details of group undertakings are as follows:

The investments represent the cost of investment in subsidiary companies that trade, and are registered in, The People's Republic of China

The companies are:

	Principal activity	Class of shares	Beneficial interest %
Monier Roofing Systems (Foshan) Co., Ltd	Sale of Construction Materials	Ordinary	100
Monier Roofing Systems (Shaoxing) Co., Ltd	Sale of Construction Materials	Ordinary	100
Monier Roofing Systems (Beijing) Co., Ltd	Sale of Construction Materials	Ordinary	100
Monier Roofing Systems (Nanjing) Co., Ltd	Sale of Construction Materials	Ordinary	100
Monier Roofing Systems (Suzhou) Co., Ltd	Sale of Construction Materials	Ordinary	100
Monier (Shanghai) Management Co., Ltd	Management	Ordinary	100
Monier Roofing Systems (Qingdao) Co. Ltd	Sale of Construction Materials	Ordinary	100
Monier Roofing Systems (Chengdu) Ltd	Sale of Construction Materials	Ordinary	100

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 7 Debtors: amounts falling due within one year

	2015 £'000	2014 £'000
Deferred tax asset (see Note 9)	47	40
Corporation tax	39	7
Amounts owed by fellow Group undertakings	1	1
	<u>87</u>	<u>48</u>

It is estimated that £47,000 relating to the deferred tax asset will reverse after more than one year.

### 8 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts owed to other group undertakings	416	155
Other Creditors	479	515
	<u>895</u>	<u>670</u>

### 9 Deferred tax assets

The deferred tax asset is attributable to the following:

	2015 £'000	2014 £'000
Short term timing differences	23	13
Unused tax losses	24	27
	<u>47</u>	<u>40</u>

The expectation is that the full £47,000 of the deferred tax asset will reverse in more than one year. The reversal is the result of expected reductions in short term timing differences between statutory balances and the tax balances.

### 10 Called up share capital

	2015 £'000	2014 £'000
Authorised, allotted and fully paid:		
18,850,000 (2013: 18,850,000) Ordinary shares of £1 each	<u>18,850</u>	<u>18,850</u>

# Monier (China) Holdings Ltd

## Notes to the accounts for the year ended 31 December 2015

### 11 Ultimate parent company and controlling entity

The company is jointly owned by Braas Monier Roofing GmbH, incorporated in Germany, and Monier Yapi Cozumleri San. Ve. Tic AS incorporated in Turkey. Each parent company has equal voting rights.

Braas Monier Building Group SA, a company incorporated in Luxembourg, is the largest parent undertaking to consolidate the accounts of the company. Copies of the Group accounts for Braas Monier Building Group SA may be obtained from Communications Department, Braas Monier Building Group GmbH, Frankfurter Landstrasse 2-4, D-61440 Oberursel, Germany.

Braas Monier Building Group SA is regarded by the directors as being the company's ultimate parent company and controlling entity.

### 12 Accounting estimates and judgements

In preparing the financial statements certain assumptions have been made about the future and judgements made about the potential impact of those assumptions. In so far as the business is concerned, there are no external events likely to have a significant impact on the assets, liabilities or subsidiary investments of the business. The management are comfortable with current valuations.

### 13 Explanation of transition to FRS 102 from old UK GAAP

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

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

In preparing its FRS 102 balance sheet, the Company has not adjusted any amounts reported previously in financial statements prepared in accordance with its old basis of accounting UK GAAP. An explanation of how the transition from UK GAAP to FRS 102 has affected the Company's financial position and financial performance is set out in the following tables.

Reconciliation of profit and equity from old UK GAAP to FRS 102

	Profit for the 31 December 2014	Equity as at 31 December 2014	Equity as at 1 January 2014
	£000	£000	£000
Amount under old UK GAAP	2,015	20,605	18,590
Amount under FRS 102	2,015	20,605	18,590