

Milacron UK Limited

Report and Financial Statements

31 December 2012



Milacron UK Limited

Registered No 4444980

Directors

C C F Taylor
G van Deventer

Secretary

G Crisell

Auditors

Baker Tilly UK Audit LLP
St Philips Point
Temple Row
Birmingham
B2 5AF

Bankers

HSBC Bank plc
17 Market Place
Banbury
OX16 5ED

Solicitors

Baker & McKenzie
100 New Bridge Street
London
EC4V 6JA

Registered Office

100 New Bridge Street
London
EC4V 6JA

Directors' report

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company during the period was the sale and servicing of capital and ancillary equipment to the plastics industry

Trading during 2012 showed an overall healthy increase from the previous year with revenue growth of 6.2% year on year. In the aftermarket sector, machine parts sales proved to be disappointing and were down year on year by 16.7% whilst service and mould sales showed strong growth. Machine sales were particularly strong during 2012. The future looks positive, with Uniloy sales globally increasing, bringing future opportunities in spare parts, mould sales and service work.

Comparison of the continuing operations' key performance indicators (KPIs) were used to monitor business performance during the year. These are as follows:

	2012	2011
KPI		
Revenue growth	6.2%	12.6%
Operating margin	16.2%	10.8%

Other non-financial indicators are used in respect of customer service and employee satisfaction levels.

The profit for the year, before taxation, amounted to £521,317 (2011 profit of £271,438). The profit and loss account is presented on page 6. The directors do not recommend the payment of any dividend.

Future developments

The future of our business in the UK still looks healthy. We have continued assisting customers with developments in light weighting of their products, creating substantial mould and parts orders. Capital equipment sales slowed as we entered 2013, however we expect a resurgence as the year closes.

We are continuing our drive to sell Milacron blow moulding products in new territories, and have had some recent successes in South Africa and Russia, with the UK office being prominent in bringing home some substantial orders. This will lead to further machine, moulds, service and parts sales in the future.

Principal risks and uncertainties

The company has in place a procedure for identifying, assessing, monitoring and reporting risk. The company's policies and procedures allow it to be able to react suitably to any risks identified. It also helps the company to develop its long term strategies by linking these factors into effective solutions.

The company trades mainly in sterling and as such the risk from any exchange rate fluctuations as a result of normal trading is minimised. Furthermore, when sales are in foreign currency, wherever practical, the company purchases are denominated in the same currency to mitigate the exposure to foreign currencies exchange rate fluctuations.

Directors' report

Principal risks and uncertainties (continued)

The company did not participate in any form of hedging transactions during the current financial year. The company does not use forward exchange contracts relating to inter-group foreign currency exposure, as these matters are considered on a group wide basis this foreign currency risk is borne by the company.

Day-to-day liquidity risk is managed by maintaining a positive bank balance as the company has no third party borrowing facility.

Competitor risk is managed by providing value added services to customers, high quality product, excellent customer service and developing strong relationships.

There are no other material exposures of the company relating to price risk, credit risk, liquidity risk and cash flow risk which is material for the assessment of the assets, liabilities, financial position and results of the company.

Directors

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

C C F Taylor
G van Deventer

Auditors

A resolution to reappoint Baker Tilly UK Audit LLP as auditors will be put to the members at the annual general meeting.

Disclosure of information to the auditors

The directors who were members of the board at the time of approving the directors' report are listed above. Each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board


C C F Taylor
Director

22nd August 2013

Statement of directors' responsibilities in respect of the financial statements

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 to 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.

Independent auditor's report to the members of Milacron UK Limited

We have audited the financial statements on pages 6 to 19. 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).

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 auditors

As more fully explained 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

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 2012 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 Directors' Report 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.

Baker Tilly UK Audit LLP

CHARLES FRAY (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

22 August 2013

Profit and loss account

for the year ended 31 December 2012

	Notes	2012 £	2011 £
Turnover	2	3,431,944	3,232,697
Cost of sales		(1,756,093)	(1,911,272)
Gross profit		1,675,851	1,321,425
Distribution costs		(375,796)	(368,380)
Administrative expenses		(742,923)	(604,141)
Operating profit	3	557,132	348,904
Interest receivable and similar income	5	4,495	9,342
Interest payable and similar charges	6	(40,310)	(86,808)
Profit on ordinary activities before taxation		521,317	271,438
Tax on profit on ordinary activities	7	(61,000)	125,000
Profit for the financial year	15, 16	460,317	396,438

All the activities of the company are derived from continuing activities

Statement of Total Recognised Gains and Losses

	Notes	2012 £	2011 £
Profit for the financial year		460,317	396,438
Actuarial gain/ (loss) on defined benefit plans	13	66,000	(50,000)
Total recognised gains for the year		526,317	346,438


Balance sheet

at 31 December 2012

Company Registration No. 4444980

	Notes	2012 £	2011 £
Fixed assets			
Tangible fixed assets	8	22,456	11,585
		<u>22,456</u>	<u>11,585</u>
Current assets			
Stocks	9	100,887	112,878
Debtors due within one year	10	1,437,907	927,530
Cash at bank and in hand		1,162,912	1,244,111
		<u>2,701,706</u>	<u>2,284,519</u>
Creditors amounts falling due within one year	11	(269,440)	(303,899)
Net current assets		<u>2,432,266</u>	<u>1,980,620</u>
Total assets less current liabilities		<u>2,454,722</u>	<u>1,992,205</u>
Creditors amounts falling due after more than one year	12	(11,200)	-
Net assets excluding pension liabilities		<u>2,443,522</u>	<u>1,992,205</u>
Pension liability	13	(461,000)	(536,000)
Net assets including pension liabilities		<u>1,982,522</u>	<u>1,456,205</u>
Capital and reserves			
Called up share capital	14	2,625,001	2,625,001
Profit and loss account	15	(642,479)	(1,168,796)
Equity shareholder's funds	16	<u>1,982,522</u>	<u>1,456,205</u>

The financial statements on pages 6 to 19 were approved by the Board of Directors and authorised for issue on 22nd August 2013 and are signed on its behalf by


CCF Taylor
Director

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

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

Cash flow statement

The company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS 1

Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods

Commissions earned on the sale of machines are recognised within turnover when the company receives notification from its fellow group undertakings that the sale has been confirmed by the customer

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal

Deferred taxation

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, with the following exception

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

Notes to the financial statements

at 31 December 2012

1. Accounting policies (continued)

Operating lease commitments

Where assets are financed by leasing arrangements 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 during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements and the interest charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and annual rentals are charged in the profit and loss account on a straight line basis over the lease term.

Tangible fixed assets

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

- Fixtures and fittings - 50% on cost
- Motor vehicles - 33% on cost

Pension costs

The company operates a defined benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

A full actuarial valuation of the company's defined benefit scheme is carried out every three years with interim reviews in the intervening years; these valuations are updated to the company's financial year end, each year by qualified independent actuaries. A full actuarial valuation was carried out at 6 April 2009, and updated at 31 December 2012. For the purposes of these annual updates, scheme assets are included at market value and scheme liabilities are measured on the basis of triennial valuation using the 'Projected Unit Credit method'; these liabilities are discounted at the current rate of return on a high quality corporate bond of equivalent currency and term.

The current service cost and any past service costs are included in the profit and loss account within operating expenses and the expected return on the scheme's net assets, net of the impact of the unwinding of the discount on scheme's liabilities, is included within other finance income or cost.

Actuarial gains and losses, including differences between the expected and actual return on scheme assets, are recognised, net of related deferred tax, in the statement of recognised gains and losses.

Notes to the financial statements

at 31 December 2012

2. Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year

An analysis of turnover by geographical market is given below

	2012 £	2011 £
United Kingdom	2,021,363	2,479,457
Other EC countries	478,750	342,524
Rest of the World	931,831	410,716
	<u>3,431,944</u>	<u>3,232,697</u>

3. Operating profit

This is stated after charging

	2012 £	2011 £
Auditor's remuneration - statutory audit	26,000	26,000
Depreciation charge for the year - owned fixed assets	9,930	10,079
- leased fixed assets	9,600	-
Operating lease rentals - land and buildings	19,846	19,400
- plant and machinery	28,125	29,263
	<u>102,501</u>	<u>84,742</u>

4. Staff costs and directors' emoluments

(a) Staff costs

	2012 £	2011 £
Wages and salaries	447,166	450,863
Social security costs	53,714	48,161
Other pension costs (note 13)	44,000	28,000
	<u>544,880</u>	<u>527,024</u>

The average monthly number of employees during the year was made up as follows

	2012 No	2011 No
Sales	8	9
Administration	2	2
	<u>10</u>	<u>11</u>

Notes to the financial statements

at 31 December 2012

4. Staff costs and directors' emoluments (cont)

(b) Directors' emoluments

	2012 £	2011 £
Aggregate emoluments in respect of qualifying services	109,110	114,123
Defined benefit pension contribution	17,296	12,047
	<u>126,406</u>	<u>126,170</u>
	2012 No	2011 No
Number of directors accruing benefits under defined benefit scheme	<u>1</u>	<u>1</u>

5. Interest receivable and similar income

	2012 £	2011 £
Bank interest receivable	391	423
Interest receivable from group undertakings	4,104	8,919
	<u>4,495</u>	<u>9,342</u>

6. Interest payable and similar charges

	2012 £	2011 £
Bank interest payable	-	31
Net interest payable on pension scheme liabilities (note 13)	29,000	19,000
Interest payable to group companies	-	16,693
Exchange loss on euro loans to group companies	10,269	51,084
Finance lease and hire purchase contracts	1,041	-
	<u>40,310</u>	<u>86,808</u>

Notes to the financial statements

at 31 December 2012

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax credit is made up as follows

	2012 £	2011 £
Current tax		
UK Corporation tax on profit for the year	-	-
Adjustments in respect of previous years	-	-
Total current tax (note 7(b))	-	-
Deferred tax		
Origination and reversal of timing differences	51,000	(125,000)
Effect of tax rate change on opening balance	10,000	-
Tax charge/ (credit)	61,000	(125,000)

(b) Factors affecting current tax charge/(credit)

The tax assessed for the year differs from the standard rate of corporation tax in the UK 24.5% (2011 26%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	521,317	271,438
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 24.5% (2011 26%)	127,723	71,912
Effect of		
Disallowable expenses	2,086	11,907
Capital allowances in excess of depreciation	(4,802)	(2,284)
Short term timing differences	(48,838)	17,080
Tax losses utilised	(76,169)	(98,615)
Total current tax (note 7(a))	-	-

Notes to the financial statements

at 31 December 2012

7. Taxation on ordinary activities (continued)

(c) Deferred taxation

The deferred tax asset at 23% (2011 25%) in the financial statements is as follows

	<i>Recognised</i>		<i>Not recognised</i>	
	2012	2011	2012	2011
			£	£
Pension deficit	-	-	106,030	134,000
Depreciation in excess of capital allowances	15,401	16,100	-	-
Other short term timing differences	5,060	53,084	-	-
Unutilised tax losses	43,539	55,816	118,803	192,754
	<u>64,000</u>	<u>125,000</u>	<u>224,833</u>	<u>326,754</u>

With the return to profitability over the past two years, the directors have concluded that it is appropriate to recognise part of the previously unrecognised deferred tax asset based on future financial projections. The balance of the unprovided deferred tax asset will become recoverable in future years should the company generate suitable profits against which it can be offset.

8. Tangible fixed assets

	<i>Fixtures and fittings</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£
Cost			
At 1 January 2012	-	29,790	29,790
Additions	30,401	-	30,401
At 31 December 2012	<u>30,401</u>	<u>29,790</u>	<u>60,191</u>
Depreciation			
At 1 January 2012	-	18,205	18,205
Provided during the year	9,600	9,930	19,530
At 31 December 2012	<u>9,600</u>	<u>28,135</u>	<u>37,735</u>
Net book value			
At 31 December 2012	<u>20,801</u>	<u>1,655</u>	<u>22,456</u>
At 31 December 2011	-	11,585	11,585

The net book value of fixtures and fittings includes £20,801 (2011 £nil) in respect of assets held under finance lease and hire purchase contracts. The depreciation charge in respect of these assets was £9,600 (2011 £nil).

Notes to the financial statements

at 31 December 2012

9. Stocks

	2012	2011
	£	£
Finished goods	100,887	112,878
	<u> </u>	<u> </u>

10. Debtors

	2012	2011
	£	£
Due within one year		
Trade debtors	527,658	501,000
Amounts owed by fellow group undertakings	797,752	260,423
Prepayments and accrued income	48,497	41,107
Deferred tax asset (note 7c)	64,000	125,000
	<u>1,437,907</u>	<u>927,530</u>

11. Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	16,476	12,717
Obligations under finance leases	9,600	-
Amounts owed to group undertakings	64,169	43,122
Other taxation and social security costs	76,611	96,605
Accruals and deferred income	102,584	151,455
	<u>269,440</u>	<u>303,899</u>

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

	2012	2011
	£	£
Obligations under finance leases (within two to five years)	11,200	-
	<u>11,200</u>	<u>-</u>

Obligations under finance leases and hire purchase contracts are secured by related assets and bear finance charges at 10.8% per annum

Notes to the financial statements

at 31 December 2012

13. Pension and similar obligations

The company operates a defined benefit pension scheme, the Milacron UK Pension Plan, a multi-employer scheme, open to employees of Uniloy Milacron, one of the company's trading divisions. These members were previously part of the Widia Valenite (U.K.) Pension Plan. This scheme is now closed to new members. The pension cost is assessed in accordance with the advice of a qualified actuary using the 'Projected Unit Credit method'.

The major assumptions used by the actuary were

	2012	2011	2010	2009	2008
Rate of increase in salaries	4.50%	4.60%	5.10%	5.10%	4.10%
Rate of increase in pensions in payment	3.00%	3.10%	3.60%	3.60%	2.60%
Discount rate	4.60%	5.10%	5.40%	5.80%	6.50%
Inflation assumption	3.00%	3.10%	3.60%	3.60%	2.60%

The mortality assumptions used in the valuation of the pension liabilities used the S1PA series year of birth tables (2007 PA 92 series (C2025) table) and long cohort projections with a normal retirement age. Based on these mortality after retirement assumptions the life expectations used to place value on the plan's liabilities were as follows:

	Life expectancy	
	Male Years	Female Years
Member aged 65 at the effective date of the calculations	20.5	22.7
Member aged 65 at a date 20 years after the effective date of the calculations	21.8	24.2

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long-term real rates of return experienced in the respective markets.

Information relating to the scheme is set out below:

	2012	2011
	£	£
<i>Analysis of amount charged to operating profit</i>		
Current service cost	44,000	28,000

Notes to the financial statements

at 31 December 2012

13. Pension and similar obligations (continued)

	2012	2011
	£	£
<i>Analysis of amount charged to other finance costs</i>		
Expected returns on pension scheme assets	(47,000)	(57,000)
Interest on pension scheme liabilities	76,000	76,000
Net charge	29,000	19,000
<i>Analysis of amount recognised in statement of total recognised gains and losses (STRGL)</i>	2012	2011
	£	£
Actual return less expected return on pension scheme assets	70,000	(75,000)
Change in assumptions underlying the present value of liabilities	(121,000)	193,000
Experience gains/(losses) arising on scheme liabilities	117,000	(168,000)
Actuarial gain/ (loss) recognised in the STRGL	66,000	(50,000)
Cumulative amount of actuarial losses recognised in the STRGL	(102,000)	(168,000)
	2012	2011
	£	£
<i>Changes in the present value of the defined benefit obligations</i>		
Opening defined benefit obligations	1,460,000	1,392,000
Current service cost	44,000	28,000
Interest cost	76,000	76,000
Contributions by employee	16,000	10,000
Actuarial (gains)/ losses	4,000	(25,000)
Benefits paid	(19,000)	(21,000)
Closing defined benefit obligations	1,581,000	1,460,000

Notes to the financial statements

at 31 December 2012

13. Pension and similar obligations (continued)

	2012 £	2011 £
<i>Changes in the fair value of plan assets</i>		
Opening plan assets	924,000	885,000
Expected return on scheme assets	47,000	57,000
Actuarial (losses)/ gains	70,000	(75,000)
Contributions by employer	82,000	68,000
Contributions by employee	16,000	10,000
Benefits paid	(19,000)	(21,000)
Closing plan assets	1,120,000	924,000

The actual return on plan assets was a gain of £117,000 (2011 £18,000 loss)

	2012 £	2011 £
Present value of funded obligations	(1,581,000)	(1,460,000)
Fair value of plan assets	1,120,000	924,000
Pension deficit	(461,000)	(536,000)

Major categories of plan assets as a percentage of fair value of total plan assets and the expected net return is as follows

	%age of insurance policy	2012 Expected net return	%age of insurance policy	2011 Expected net return	%age of insurance policy	2010 Expected net return
<i>Equities</i>	45%	6.8%	50%	6.2%	50%	7.4%
<i>Property</i>	15%	4.8%	10%	4.5%	15%	6.5%
<i>Corporate bonds</i>	40%	3.2%	15%	4.9%	15%	5.2%
<i>Gilts</i>	0%	0%	25%	2.7%	20%	3.9%
<i>Cash</i>	0%	0%	0%	0%	0%	0%

Notes to the financial statements

at 31 December 2012

13. Pension and similar obligations (continued)

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Defined benefit obligation	(1,581)	(1,460)	(1,392)	(1,243)	(799)
Plan assets	1,120	924	885	796	676
Pension deficit	(461)	(536)	(507)	(447)	(123)
Experience adjustment on plan liabilities	117	(168)	14	(5)	(27)
Experience adjustment on plan assets	70	(75)	40	73	(188)

The company expects to contribute £92,200 (2011 £82,000) to the plan in the next financial period

A deferred tax asset arises on the pension deficit amounting to £106,030 (2011 £134,000) This has not been recognised due to the uncertainty over the timing of future profit and cash flows

14. Share Capital

	No	2012 £	No	2011 £
Allotted called up and fully paid Ordinary shares of £1 each	2,625,001	2,625,001	2,625,001	2,625,001

15. Profit and loss account

	2012 £	2011 £
At 1 January	(1,168,796)	(1,515,234)
Profit for the year	460,317	396,438
Actuarial gain/ (loss) on defined benefit pension scheme	66,000	(50,000)
At 31 December	(642,479)	(1,168,796)

Notes to the financial statements

at 31 December 2012

16. Reconciliation of shareholder's funds

	2012 £	2011 £
Profit for the year	460,317	396,438
Other recognised gains and losses relating to the year	66,000	(50,000)
Net addition to shareholder's funds	526,317	346,438
Opening shareholder's funds	1,456,205	1,109,767
Closing shareholder's funds	1,982,522	1,456,205

17. Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below

	2012		2011	
	<i>Land and buildings</i>	<i>Plant and machinery</i>	<i>Land and buildings</i>	<i>Plant and machinery</i>
	£	£	£	£
Operating leases which expire				
Within one year	-	8,217	-	1,872
In two to five years	20,375	13,297	20,375	25,804
	20,375	21,514	20,375	27,676

18. Related party transactions

The company has taken the exemption under FRS8 not to disclose transactions with other group undertakings where the party to the transaction is wholly-owned by a member of the group

19. Ultimate parent company

The company's immediate parent undertaking is Milacron BV, a company incorporated in the Netherlands

The ultimate parent company at 31 December 2012 was Milacron LLC, which was incorporated in the United States of America. Milacron LLC was acquired by CCMP Capital on 30 March 2012