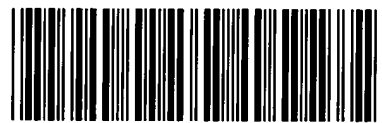


Milacron UK Limited

Report and Financial Statements

31 December 2015

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COMPANIES HOUSE

Milacron UK Limited

Registered No: 4444980

Directors

C C F Taylor
B A Chalmers

Auditors

RSM 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 2015.

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 2015 showed a revenue decrease from the previous year of 14.3%. The Uniloy Milacron sector sales declined by 10.6% and DME UK sales decreasing by 18.9% year on year due to changes in the UK business focus.

As is often the case in large and complex business organisations the performance of one element may appear odd without knowledge of the wider picture.

In the case of Milacron UK Ltd. the continuing reorganisation of the Group's activities across Europe continues to have its impact on the UK results. The transfer of some activities created one-off costs and has distracted from the local sales focus. In the short term this has resulted in losses in the UK. However, there is confidence that the European business will emerge healthier and that the benefits will be passed on to the more efficient UK company.

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

| | 2015 | 2014 |
|-------------------|---------|--------|
| KPI: | | |
| Revenue reduction | (14.3)% | (1.0)% |
| Operating margin | (2.25)% | 6.69% |

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

The loss for the year, before taxation, amounted to £128,398 (2014: profit of £140,908). The profit and loss account is presented on page 7. The directors do not recommend the payment of any dividend.

Auditors

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

Directors

The directors who served the company during the year and up to the date of approving the financial statements were as follows:

C C F Taylor

B A Chalmers (appointed 6 April 2017)

Directors' report

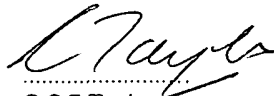
Disclosure of information to the auditors

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

- To the best of their knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- The directors have 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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

On behalf of the board


.....
C C F Taylor
Director

19 April 2017

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

Opinion on financial statements

We have audited the financial statements on pages 7 to 22. 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".

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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 <http://www.frc.org.uk/auditscopeukprivate>

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 and, based on the work undertaken in the course of our audit, the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Director's Report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' Report.

Respective responsibilities of directors and auditor

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 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 (APB's) Ethical Standards for Auditors.

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.

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

RSM UK Audit LLP

CHARLES FRAY (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Date *20 April 2017*

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2015

Company number 4444980

| | Notes | 2015 £ | 2014 £ |
|------------------------------------------------------------------------------|-------|------------------|------------------|
| Turnover | 2 | 2,717,444 | 3,170,512 |
| Cost of sales | | (1,413,550) | (1,756,366) |
| Gross profit | | <u>1,303,894</u> | <u>1,414,146</u> |
| Distribution costs | | (210,600) | (222,269) |
| Administrative expenses | | (1,154,522) | (979,756) |
| Operating (loss)/profit | 3 | <u>(61,228)</u> | <u>212,121</u> |
| Interest receivable and similar income | 5 | 2,851 | 4,484 |
| Interest payable and similar charges | 6 | (70,021) | (75,697) |
| (Loss)/Profit before taxation | | <u>(128,398)</u> | <u>140,908</u> |
| Taxation | 7 | (2,797) | 14,631 |
| (Loss)/Profit after taxation and (loss)/profit for the financial year | | <u>(131,195)</u> | <u>155,539</u> |
| OTHER COMPREHENSIVE INCOME | | | |
| Actuarial gain/(loss) on defined benefit plans | 12 | 29,000 | (221,000) |
| Tax credit on actuarial loss | 7 | (25,560) | 144,400 |
| Total Comprehensive income for the year | | <u>(127,755)</u> | <u>78,939</u> |

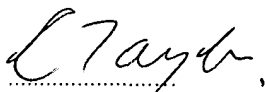
STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

Company number 4444980

| | Notes | 2015 £ | 2014 £ |
|-------------------------------------------------------|-------|------------------|------------------|
| Fixed assets | | | |
| Tangible fixed assets | 8 | - | 1,600 |
| Current assets | | | |
| Stocks | 9 | 159,136 | 132,209 |
| Debtors due within one year | 10 | 2,018,222 | 1,735,231 |
| Debtors due after more than one year | 10 | 730,737 | 810,108 |
| Cash at bank and in hand | | 710,351 | 691,435 |
| | | <u>3,618,446</u> | <u>3,368,983</u> |
| Creditors: amounts falling due within one year | 11 | (696,928) | (293,310) |
| Net current assets | | <u>2,921,518</u> | <u>3,075,673</u> |
| Total assets less current liabilities | | <u>2,921,518</u> | <u>3,077,273</u> |
| Net assets excluding pension liabilities | | <u>2,921,518</u> | <u>3,077,273</u> |
| Pension liability | 12 | (989,000) | (1,017,000) |
| Net assets including pension liabilities | | <u>1,932,518</u> | <u>2,060,273</u> |
| Capital and reserves | | | |
| Called up share capital | 13 | 2,625,001 | 2,625,001 |
| Profit and loss account | | (692,483) | (564,728) |
| Total equity | | <u>1,932,518</u> | <u>2,060,273</u> |

The financial statements on pages 7 to 22 were approved by the Board of Directors and authorised for issue on 19 April 2017 and are signed on its behalf by:


 C C F Taylor
 Director

STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2015

| | Share capital | Profit and Loss reserves | Total |
|---------------------------------------------------------|------------------|-----------------------------|------------------|
| | £ | £ | £ |
| Balance at 1 January 2014: | 2,625,001 | (643,667) | 1,981,334 |
| Profit for the financial year | - | 155,539 | 155,539 |
| Other comprehensive income: | - | - | - |
| Actuarial loss on defined benefit pension scheme | - | (221,000) | (221,000) |
| Tax credit on actuarial loss | - | 144,400 | 144,400 |
| Balance at 31 December 2014 | <u>2,625,001</u> | <u>(564,728)</u> | <u>2,060,273</u> |
| Year ended 31 December 2015: | | | |
| (Loss)/profit for the financial year | - | (131,195) | (131,195) |
| Other comprehensive income: | - | - | - |
| Actuarial gain on defined benefit pension scheme | - | 29,000 | 29,000 |
| Deferred tax movement on defined benefit pension scheme | - | (25,560) | (25,560) |
| Balance at 31 December 2015 | <u>2,625,001</u> | <u>(692,483)</u> | <u>1,932,518</u> |

Notes to the financial statements

Year ended 31 December 2015

1. Accounting policies

General information

Milacron UK Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is 100 New Bridge Street, London, EC4V 6JA. The principal activities are disclosed in the director's report.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Monetary amounts in these financial statements are rounded to the nearest whole £.

These financial statements are the first financial statements the company has prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The financial statements of the Company for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP. The transition date was 1 January 2014.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. Adjustments are recognised directly in retained earnings at the transition date see note 17.

Going concern

The company finances its working capital needs from its own resources. At the balance sheet date the company had considerable funds and, consequently, the directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the company has continued to adopt the going concern basis of accounting in preparing the financial statements.

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.

Notes to the financial statements

Year ended 31 December 2015

1. Accounting policies (continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

Lease commitments

An asset and corresponding liability are recognised for leasing agreements that transfer to the Company substantially all of the risks and rewards incidental to ownership ("finance leases"). The amount capitalised is the fair value of the leased asset or, if lower, the present value of the minimum lease payments payable during the lease term, both determined at inception of the lease. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are expensed as incurred.

All other leases are operating leases and the annual rentals are charged to profit or loss 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 - 33% - 50% on cost
- Motor vehicles - 33% on cost

Notes to the financial statements

Year ended 31 December 2015

1. Accounting policies (continued)

Retirement benefits

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method.

- Asset/Liability

The net defined benefit asset/liability represents the present value of the defined benefit obligation minus the fair value of plan assets out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the plan.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

- Gains/Losses

Gains or losses recognised in profit or loss:

- The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost.
- The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.
- Net interest on the net defined benefit asset/liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the plan assets at the beginning of the period by the rate used to discount the benefit obligations.

Gains or losses recognised in other comprehensive income:

- Actuarial gains and losses,
- The difference between the interest income on the plan assets and the actual return on the plan assets.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade, group and other debtors

Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Notes to the financial statements

Year ended 31 December 2015

1. Accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade, group and other creditors

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost.

Notes to the financial statements

Year ended 31 December 2015

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:

| | 2015 | 2014 |
|--------------------|------------------|------------------|
| | £ | £ |
| United Kingdom | 1,669,618 | 2,007,125 |
| Other EC countries | 420,259 | 542,900 |
| Rest of the World | 627,567 | 620,487 |
| | <u>2,717,444</u> | <u>3,170,512</u> |

3. Operating profit

This is stated after charging/ (crediting):

| | 2015 | 2014 |
|-------------------------------------------------------|----------------|----------------|
| | £ | £ |
| Auditor's remuneration | 27,000 | 27,000 |
| Depreciation charge for the year - owned fixed assets | - | - |
| - leased fixed assets | 1,600 | 9,600 |
| Operating lease rentals - land and buildings | 20,500 | 20,500 |
| - plant and equipment | 43,681 | 34,586 |
| Exchange loss | 71,560 | 60,132 |
| | <u>173,741</u> | <u>151,818</u> |

4. Staff costs and directors' emoluments

(a) Staff costs:

| | 2015 | 2014 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 558,021 | 517,358 |
| Social security costs | 55,789 | 54,193 |
| Other pension costs | 74,761 | 61,417 |
| | <u>688,571</u> | <u>632,968</u> |

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

| | 2015 | 2014 |
|----------------|----------|-----------|
| | No. | No. |
| Sales | 7 | 8 |
| Administration | 2 | 2 |
| | <u>9</u> | <u>10</u> |

Notes to the financial statements

Year ended 31 December 2015

4. Staff costs and directors' emoluments (continued)

(b) Directors' emoluments:

| | 2015 | 2014 |
|--------------------------------------------------------|----------------|----------------|
| | £ | £ |
| Aggregate emoluments in respect of qualifying services | 105,777 | 118,085 |
| Defined benefit pension contribution | 27,926 | 30,644 |
| | <u>133,703</u> | <u>148,729</u> |

| | 2015 | 2014 |
|--------------------------------------------------------------------|------|------|
| | No. | No. |
| Number of directors accruing benefits under defined benefit scheme | 1 | 1 |

5. Interest receivable and similar income

| | 2015 | 2014 |
|---------------------------------------------|--------------|--------------|
| | £ | £ |
| Bank interest receivable | 67 | 147 |
| Interest receivable from group undertakings | 2,784 | 4,337 |
| | <u>2,851</u> | <u>4,484</u> |

6. Interest payable and similar charges

| | 2015 | 2014 |
|--------------------------------------------------------------|---------------|---------------|
| | £ | £ |
| Net interest payable on pension scheme liabilities (note 12) | 35,000 | 36,000 |
| Exchange loss on euro loans to group companies | 34,758 | 38,642 |
| Finance lease and hire purchase contracts | 260 | 1,041 |
| Other | 3 | 14 |
| | <u>70,021</u> | <u>75,697</u> |

Notes to the financial statements

Year ended 31 December 2015

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities:

The tax (credit) / charge is made up as follows:

| | 2015 £ | 2014 £ |
|--------------------------------------------------------|-----------|-----------|
| Current tax: | | |
| UK Corporation tax on (loss)/profit for the year | - | 5,038 |
| Total current tax | - | 5,038 |
| Deferred tax: | | |
| Origination and reversal of timing differences | 1,299 | 27,935 |
| Adjustment in respect of prior periods | - | 15,996 |
| Effect of tax rate change on opening balance | 1,498 | - |
| Initial recognition of deferred tax on pension deficit | - | (63,600) |
| Total deferred tax | 2,797 | (19,669) |
| Tax on profit on ordinary activities | 2,797 | (14,631) |

(b) Tax dealt with in Other Comprehensive Income:

| | 2015 £ | 2014 £ |
|-------------------------------------------------------------------|-----------|-----------|
| Effect of tax rate change on opening balance | 20,340 | - |
| Deferred tax charge/ (credit) on current year actuarial gain/loss | 5,220 | (47,200) |
| Deferred tax credit on prior year actuarial losses | - | (97,200) |
| Tax charge / (credit) | 25,560 | (144,400) |

(c) Factors affecting current tax charge/(credit):

The tax assessed for the year differs from the standard rate of corporation tax in the UK 20.0% (2014: 23.25%). The differences are explained below:

| | 2015 £ | 2014 £ |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| (Loss)/Profit on ordinary activities before tax | (128,398) | 140,908 |
| Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 20.25% (2014: 20.00%) | (25,996) | 31,182 |
| Effect of: | | |
| Disallowable expenses | 13,415 | 1,791 |
| Capital allowances in excess of depreciation | - | (474) |
| Deferred tax not recognised | 8,677 | - |
| Tax losses utilised | - | (27,461) |
| Tax rate difference | 6,701 | - |
| Origination and reversal of timing differences | - | 27,935 |
| Adjustment in respect of prior periods | - | 15,996 |
| Initial recognition of deferred tax on pension deficit | - | (63,600) |
| Total current tax (note 7(a)) | 2,797 | (14,631) |

Notes to the financial statements

Year ended 31 December 2015

7. Taxation on ordinary activities (continued)

(d) Deferred taxation:

The deferred tax asset at 18.0% (2014: 20.00%) included in debtors (note 10) is as follows:

| | <i>Recognised</i> | | <i>Not recognised</i> | |
|----------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------|
| | 2015 | 2014 | 2015 | 2014 |
| | | | £ | £ |
| Depreciation in excess of capital allowances | 8,049 | 10,586 | - | - |
| Other short term timing differences | 3,960 | 4,400 | - | - |
| Losses and other deductions | - | - | 46,745 | 38,068 |
| | <u>12,009</u> | <u>14,986</u> | <u>46,745</u> | <u>38,086</u> |
| Deferred tax on pension deficit at 18% (2014: 20%) | 178,020 | 203,400 | - | - |
| | <u><u>178,020</u></u> | <u><u>203,400</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

8. Tangible fixed assets

| | <i>Fixtures And fittings</i> | <i>Motor vehicles</i> | <i>Total</i> |
|--------------------------|----------------------------------|---------------------------|---------------|
| | £ | £ | £ |
| Cost: | | | |
| At 1 January 2015 | 30,401 | - | 30,401 |
| At 31 December 2015 | <u>30,401</u> | <u>-</u> | <u>30,401</u> |
| Depreciation: | | | |
| At 1 January 2015 | 28,801 | - | 28,801 |
| Provided during the year | 1,600 | - | 1,600 |
| At 31 December 2015 | <u>30,401</u> | <u>-</u> | <u>30,401</u> |
| Net book value: | | | |
| At 31 December 2015 | <u>-</u> | <u>-</u> | <u>-</u> |
| At 31 December 2014 | <u>1,600</u> | <u>-</u> | <u>1,600</u> |

The net book value of fixtures and fittings includes £Nil (2015: £1,600) in respect of assets held under finance lease and hire purchase contracts. The depreciation charge in respect of these assets was £1,600 (2015: £9,600).

9. Stocks

| | 2015 | 2014 |
|----------------|----------------|----------------|
| | £ | £ |
| Finished goods | 159,136 | 132,209 |
| | <u>159,136</u> | <u>132,209</u> |

Notes to the financial statements

Year ended 31 December 2015

10 Debtors

| | 2015 | 2014 |
|---------------------------------------------------------------------|------------------|------------------|
| | £ | £ |
| Due within one year: | | |
| Trade debtors | 766,048 | 539,176 |
| Amounts owed by fellow group undertakings | 1,198,894 | 1,143,278 |
| Prepayments and accrued income | 41,271 | 37,791 |
| | <u>2,006,213</u> | <u>1,720,245</u> |
| Deferred tax asset (note 7(d)) | 12,009 | 14,986 |
| | <u>2,018,222</u> | <u>1,735,231</u> |
| Due after one year: | | |
| Amounts owed by fellow group undertakings | 552,717 | 606,708 |
| Deferred tax asset on defined benefit pension liability (note 7(d)) | 178,020 | 203,400 |
| | <u>2,748,959</u> | <u>2,545,339</u> |

11. Creditors: amounts falling due within one year

| | 2015 | 2014 |
|------------------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 21,744 | 1,453 |
| Obligations under finance leases | - | 1,600 |
| Amounts owed to group undertakings | 265,937 | 88,354 |
| Other taxation and social security costs | 112,884 | 91,075 |
| Corporation tax | 438 | 438 |
| Accruals and deferred income | 295,925 | 110,390 |
| | <u>696,928</u> | <u>293,310</u> |

Notes to the financial statements

Year ended 31 December 2015

12. 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:

| | 2015 | 2014 |
|-----------------------------------------|-------|-------|
| Rate of increase in salaries | 4.60% | 4.60% |
| Rate of increase in pensions in payment | 3.00% | 3.00% |
| Discount rate | 3.70% | 3.50% |
| Inflation assumption | 3.10% | 3.10% |

The mortality assumptions used in the valuation of the pension liabilities used SAPS S2 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 | 21.0 | 22.9 |
| Member aged 65 at a date 20 years after the effective date of the calculations | 22.3 | 24.4 |

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:

| | 2015 | 2014 |
|--------------------------------------------------------------------|----------|-----------|
| | £ | £ |
| <i>Analysis of amount charged to profit and loss</i> | | |
| Current service cost | 71,000 | 57,000 |
| Interest income on scheme assets | (54,000) | (60,000) |
| Interest on pension scheme liabilities | 89,000 | 96,000 |
| Net charge | 35,000 | 36,000 |
| <i>Analysis of amount recognised in other comprehensive income</i> | | |
| Actual return on plan assets excluding interest income | (46,000) | 42,000 |
| Change in assumptions underlying the present value of liabilities | 121,000 | (285,000) |
| Experience gains/(losses) arising on scheme liabilities | (46,000) | 22,000 |
| Actuarial gains/(losses) recognised in the OCI | 29,000 | (221,000) |

Notes to the financial statements

Year ended 31 December 2015

12. Pension and similar obligations (continued)

| | 2015 | 2014 |
|------------------------------------------------------------------------|-----------|-----------|
| | £ | £ |
| <i>Changes in the present value of the defined benefit obligations</i> | | |
| Opening defined benefit obligations | 2,508,000 | 2,098,000 |
| Current service cost | 71,000 | 57,000 |
| Interest cost | 89,000 | 96,000 |
| Contributions by employee | 15,000 | 15,000 |
| Actuarial (gains)/losses | (75,000) | 263,000 |
| Benefits paid | (21,000) | (21,000) |
| Closing defined benefit obligations | 2,587,000 | 2,508,000 |

| | 2015 | 2014 |
|-------------------------------------------------|-----------|-----------|
| | £ | £ |
| <i>Changes in the fair value of plan assets</i> | | |
| Opening plan assets | 1,491,000 | 1,294,000 |
| Interest income | 54,000 | 60,000 |
| Return on plan assets | (46,000) | 42,000 |
| Contributions by employer | 105,000 | 101,000 |
| Contributions by employee | 15,000 | 15,000 |
| Benefits paid | (21,000) | (21,000) |
| Closing plan assets | 1,598,000 | 1,491,000 |

The actual return on plan assets was a gain of £8,000 (2014: £102,000 gain).

| | 2015 | 2014 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| Present value of funded obligations | (2,587,000) | (2,508,000) |
| Fair value of plan assets | 1,598,000 | 1,491,000 |
| Pension deficit | (989,000) | (1,017,000) |

The estimated future contributions for the year ended 31 December 2016 are £82,000 per annum. (2015: £105,000 per annum)

Notes to the financial statements

Year ended 31 December 2015

13. Share Capital

| | 2015 | | 2014 | |
|-------------------------------------------|------------|-----------|------------|-----------|
| <i>Allotted called up and fully paid:</i> | <i>No.</i> | <i>£</i> | <i>No.</i> | <i>£</i> |
| Ordinary shares of £1 each | 2,625,001 | 2,625,001 | 2,625,001 | 2,625,001 |

14. Commitments under operating leases

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

| | 2015 | | 2014 | |
|----------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| | <i>Land and buildings</i> | <i>Plant and machinery</i> | <i>Land and buildings</i> | <i>Plant and machinery</i> |
| | <i>£</i> | <i>£</i> | <i>£</i> | <i>£</i> |
| Amounts falling due: | | | | |
| Within one year | 20,500 | 13,373 | 20,500 | 27,997 |
| In two to five years | 46,125 | 2,645 | 66,625 | 16,018 |
| | <u>66,625</u> | <u>16,018</u> | <u>87,125</u> | <u>44,015</u> |

15. Related party transactions

The company has taken the exemption per section 33 of FRS102 not to disclose transactions with other group undertakings where the party to the transaction is wholly-owned by a member of the group.

16. Ultimate parent company

The company's immediate parent undertaking is Milacron BV, a company incorporated in the Netherlands with its Registered Office at Schiedamsedijk 20, 3134 KK Vlaardingen, Netherlands.

The ultimate parent company at 31 December 2015 was CCMP Capital which is incorporated in the United States of America.

Notes to the financial statements

Year ended 31 December 2015

17. First time adoption of FRS 102

There has been no impact on the reporting financial position as shown under previous UK GAAP at the date of transition to FRS102 or in the comparative period, as a result the company has not presented the reconciliation of equity at the date of transition to FRS102 and equity at the end of the comparative period.

RECONCILIATION OF PROFIT OR LOSS

| | Year ended 31 December 2014 |
|----------------------------------------------------------------------------------------|--------------------------------|
| | £ |
| Profit or loss as previously reported under previous UK GAAP | 170,539 |
| Reduction in income on plan assets held in retirement benefit plans (see note A below) | (15,000) |
| Profit or loss reported under FRS 102 | <u>155,539</u> |

- A In accordance with FRS 102, an adjustment of £15,000 has been made to reclassify certain other finance income, relating to the defined benefit plan, as actuarial losses within other comprehensive income for the year ended 31 December 2014. This adjustment has the effect of decreasing the 2014 profit after taxation from £170,539 to £155,539.

BALANCE SHEET RECLASSIFICATION

FRS 102 requires the defined benefit liability to be shown gross, without the deduction of the associated deferred tax asset. As a result, the deferred tax asset which was netted off the pension liability at 31 December 2014 has been reclassified and included as a debtor due after more than one year. The reported assets at 31 December 2014 are unchanged.