

REGISTERED NUMBER: 08360810 (England and Wales)

**Directors' Report and
Audited Financial Statements for the Year Ended 30 June 2016
for
Sellers Containers Limited**

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Sellers Containers Limited (Registered number: 08360810)

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for the Year Ended 30 June 2016**

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Sellers Containers Limited (Registered number: 08360810)

**Directors' Report
for the Year Ended 30 June 2016**

The directors present their report with the financial statements of the Company for the year ended 30 June 2016.

Dividends

The retained loss for the financial year of £227,292 (2015: £325,142) is set out on page 4 of the financial statements. No dividend has been recommended (2015: (£nil)).

Directors

The Directors of the Company who were in office during the financial year and up to the date of signing the financial statements were:

L G Tamberlin
R B Sanders
B F Murphy
A Davies

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the Directors must not approve the financial statements unless 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 judgments 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; and
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

Qualifying third-party indemnity provisions

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased, and maintained throughout the financial period, Directors' and Officers' liability insurance in respect of itself and its Directors.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Sellers Containers Limited (Registered number: 08360810)

**Directors' Report
for the Year Ended 30 June 2016**

Statement as to disclosure of information to the auditor

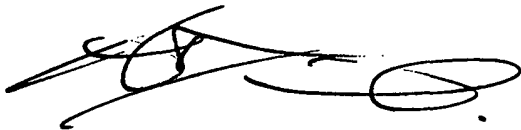
In the case of each Director in office at the date the Directors' report is approved under Section 418 of the Companies Act 2006, the following applies:

- (a) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- (b) he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Mazars LLP as auditor for the Company.

By order of the board:

A handwritten signature in black ink, appearing to be 'A Davies', written over a horizontal line.

A Davies - Director

Date: 31st October 2016

Independent Auditor's Report to the Members of Sellers Containers Limited

We have audited the financial statements of Sellers Containers Limited for the year ended 30 June 2016 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the notes to the financial statements. 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 Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of Directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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. 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.

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 web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2016 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.

Opinion on the 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.



Ian Holder (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Birmingham

28 November 2016

Sellers Containers Limited (Registered number: 08360810)

Statement of Income and Retained Earnings for the Year Ended 30 June 2016

	Notes	2016 £	2015 £
Turnover	2	3,919,494	3,436,259
Cost of sales		<u>(3,377,535)</u>	<u>(2,942,399)</u>
Gross profit		541,959	493,860
Distribution costs		(97,555)	(116,957)
Administrative expenses		<u>(562,899)</u>	<u>(601,157)</u>
Operating loss	5	(118,495)	(224,254)
Interest payable and similar charges	7	<u>100,220)</u>	<u>(98,251)</u>
Loss on ordinary activities before taxation		(218,715)	(322,505)
Tax on loss on ordinary activities	8	<u>(8,577)</u>	<u>(2,637)</u>
Loss for the financial year		(227,292)	(325,142)
 Retained losses at 1 July		 <u>(1,294,472)</u>	 <u>(969,330)</u>
Retained losses at 30 June		<u>(1,521,764)</u>	<u>(1,294,472)</u>

Continuing operations

None of the Company's activities were acquired or discontinued during the current year or previous year.

Other than the retained loss for the year, there is no other comprehensive income in the year, which is all attributable to the owners of the Company.

The notes form part of these financial statements

Sellers Containers Limited (Registered number: 08360810)

**Statement of Financial Position
As at 30 June 2016**

	Notes	2016 £	2015 £
Fixed assets			
Property, plant and equipment	9	<u>87,944</u>	<u>78,700</u>
Current assets			
Inventories	10	287,949	245,896
Debtors: amounts falling due within one year	11	148,530	139,802
Debtors: amounts falling due after more than one year	11	-	3,397
Cash at bank and in hand		<u>5,161</u>	<u>39,167</u>
		441,640	428,262
Creditors			
Amounts falling due within one year	12	<u>(456,758)</u>	<u>(507,050)</u>
Net current liabilities		<u>(15,118)</u>	<u>(78,788)</u>
Total assets less current liabilities		72,826	(88)
Creditors			
Amounts falling due after more than one year	13	<u>(1,594,589)</u>	<u>(1,294,383)</u>
Net liabilities		<u>(1,521,763)</u>	<u>(1,294,471)</u>
Capital and reserves			
Called up share capital	15	¹ <u>(1,521,764)</u>	¹ <u>(1,294,472)</u>
Profit and loss account			
Shareholders' funds		<u>(1,521,763)</u>	<u>(1,294,471)</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 4 to 15 were approved by the Board of Directors on 31/10/16 and were signed on its behalf by:



A Davies - Director

The notes form part of these financial statements

Sellers Containers Limited (Registered number: 08360810)

**Notes to the Financial Statements
for the Year Ended 30 June 2016**

1. Statutory Information

Sellers Containers Limited is a Company domiciled in England and Wales, registration number 08360810. The registered office is Oak Park, Ryelands Road, Elmley Lovett, Droitwich, Worcestershire, WR9 0QZ. The principal activity of the company is that of the manufacture of skips and containers. The company operates within the UK and sells primarily to the UK.

Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis. A summary of the more important accounting policies are set out below.

These financial statements for the year ended 30 June 2016 are the first financial statements that comply with FRS 102. The date of transition is 1 July 2014.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements. Refer to note 20 for an explanation of the transition.

The financial statements are presented in Sterling (£).

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Egbert Taylor Group Limited, as at 30 June 2016. The consolidated financial statements of this company are available to the public and may be obtained from the registered office.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

Turnover

Turnover comprises amounts receivable for goods supplied, after deducting value added tax, and is recognised when the customer assumes the risks and rewards of the goods.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

Property, plant and equipment and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. The cost of fixed assets is their historic purchase cost and any costs directly attributable to bringing them into working condition for their intended use. Depreciation is calculated so as to write off the cost of the tangible fixed assets, less their estimated residual values, on the following bases:

Plant and machinery including tooling	10% to 25% straight line
Office machinery, fixtures and fittings	10% or 33% straight line
Motor vehicles	25% straight line

Inventories

Inventories have been valued at the lower of cost and net realisable value. Cost has been determined by the FIFO method and is based on purchase price or production cost including related fixed and variable production overheads and depreciation. Net realisable value is based on estimated selling price less any costs of disposal.

Following the completion of the annual stock take, provisions are made for slow moving and obsolete stock. When a provision is made, this is charged to the profit and loss account.

Taxation

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

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

Deferred tax assets recognised only, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

1. Accounting policies - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Hire purchase assets are stated at historic purchase cost less accumulated depreciation. The cost of assets acquired under hire purchase agreements is their historic purchase cost. Depreciation is calculated so as to write off the cost of assets, acquired under hire purchase agreements, on a 25% straight line basis.

Hire purchase agreements interest is charged to the profit and loss account in the year in which it falls due and on a reducing value basis over the agreement term.

Operating leases

Operating lease rentals are charged to the profit and loss account in the year in which they fall due. Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The Company operates money purchase pension schemes for eligible staff members. The Company's contributions to these schemes are charged to the income statement in the year in which they are payable. The assets of the schemes are held separately from those of the Company in independently administered funds.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Going concern

The Company is a subsidiary undertaking within the Egbert Taylor Group Limited group and obtains its support from Egbert Taylor Group Limited.

The Directors have prepared a going concern assessment covering a period of at least one year from the date of approval of these financial statements. They have considered the current risks and opportunities facing the group and their potential impact on the cash flows expected to be generated by the group.

The Directors believe that prospects for the business are positive and that the Company will now have the ability to invest significantly in UK and international growth.

In consideration of this, the Directors have carried out forecasts for a period until 30 June 2018, including realistic downside scenarios. On the basis of these forecasts, the Directors have concluded that the Group can continue to service its financial obligations as they fall due. Trading has also been much stronger over the last few months and this trading and the order book fully supports the Directors' forecasts. As these forecasts are also consistent with the trading that the business has experienced in previous years, and the unique nature of the cause of previous underperformance makes a repeat highly unlikely, the Directors of Egbert Taylor Group Limited are confident that the Group and the Company can continue to operate as a going concern and have prepared the financial statements on that basis.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements in conformity with generally accepted accounting principles requires the directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regards, the Directors believe that there are no critical accounting policies where judgements or estimations are necessarily applied in the financial statements.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

2. Turnover

The turnover and loss before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

	2016	2015
	£	£
United Kingdom	3,803,283	3,386,259
Europe	116,211	50,000
	<u>3,919,494</u>	<u>3,436,259</u>

3. Staff costs

	2016	2015
	£	£
Wages and salaries	1,131,021	1,065,855
Social security costs	87,654	82,291
Other pension costs	14,123	4,850
	<u>1,232,798</u>	<u>1,152,996</u>

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

	2016	2015
Manufacturing	50	57
Administrative	12	12
	<u>62</u>	<u>69</u>

Staff costs includes director's remuneration.

4. Directors' emoluments

	2016	2015
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

The Directors are also Directors in other group companies and are remunerated from those companies.

5. Operating loss

Operating loss is stated after charging/(crediting):

	2016	2015
	£	£
Hire of plant and machinery	25,296	25,416
Operating lease charge – land and buildings	75,000	75,000
Operating lease charge – other	1,188	4,928
Depreciation - owned assets	26,886	25,074
Loss on disposal of fixed assets	-	750
Exceptional costs (Note 6)	<u>69,924</u>	<u>8,180</u>

Fees payable to the Company's auditor for the audit of the Company's statutory accounts were borne by another group Company. No fees are payable to the Company's auditor for non-audit services.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

6. Exceptional items

Exceptional costs for 2016 include £64,524 redundancy costs and employment dispute costs of £5,400. Exceptional costs for 2015 included £5,896 redundancy costs and product rectification costs of £2,284.

7. Interest payable and similar charges

	2016 £	2015 £
Interest payable - Group	100,220	96,969
Hire purchase	<u>-</u>	<u>1,282</u>
	<u>100,220</u>	<u>98,251</u>

8. Taxation

Analysis of the tax charge/(credit)

The tax charge/(credit) on the loss on ordinary activities for the year was as follows:

	2016 £	2015 £
Deferred tax	5,103	3,442
Adjustment from previous period	<u>3,474</u>	<u>(805)</u>
Tax on loss on ordinary activities	<u>8,577</u>	<u>2,637</u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	<u>(218,715)</u>	<u>(318,482)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.00% (2015 – 20.75%)	(43,743)	(66,085)
Effects of:		
Expenses not deductible for tax purposes	(3,341)	(445)
Group relief surrendered	52,377	69,972
Tax rate changes	(190)	-
Adjustment from previous period	<u>3,474</u>	<u>(805)</u>
Current tax charge/(credit)	<u>8,577</u>	<u>2,637</u>

Sellers Containers Limited (Registered number: 08360810)

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

9. Property, plant and equipment

	Leasehold Property	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost					
At 1 July 2015	-	119,995	8,490	3,000	131,485
Additions	3,500	32,630	-	36,130	
	<u>3,500</u>	<u>152,625</u>	<u>8,490</u>	<u>3,000</u>	<u>167,615</u>
At 30 June 2016					
Depreciation					
At 1 July 2015	-	46,092	4,005	2,688	52,785
Charge for year		24,552	2,022	312	26,886
	<u>-</u>	<u>70,644</u>	<u>6,027</u>	<u>3,000</u>	<u>79,671</u>
At 30 June 2016					
Net book value					
At 30 June 2016	<u>3,500</u>	<u>81,981</u>	<u>2,463</u>	<u>-</u>	<u>87,944</u>
At 30 June 2016	<u>-</u>	<u>73,903</u>	<u>4,485</u>	<u>312</u>	<u>78,700</u>

10. Inventories

	2016 £	2015 £
Raw materials	131,261	124,669
Work-in-progress	92,086	104,918
Finished goods	<u>64,602</u>	<u>16,309</u>
	<u>287,949</u>	<u>245,896</u>

The directors consider that the replacement cost of stocks is not significantly different from the balance sheet carrying value at 30 June 2016 and 2015.

Sellers Containers Limited (Registered number: 08360810)

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

11. Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	9,853	49,896
Other debtors	50,775	21,384
Prepayments and accrued income	<u>87,902</u>	<u>68,522</u>
	<u>148,530</u>	<u>139,802</u>
Amounts falling due after more than one year:		
Deferred tax asset		
Accelerated capital allowances	-	3,397
	-	<u>3,397</u>
Aggregate amounts	<u>148,530</u>	<u>143,199</u>

Deferred tax balances arise wholly on accelerated capital allowances carried forward.

12. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	213,528	289,894
Other taxation and social security	503	503
Other creditors	-	83,322
Deferred tax liabilities	1,706	-
Accruals and deferred income	<u>241,021</u>	<u>133,331</u>
	<u>456,758</u>	<u>507,050</u>

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

	2016 £	2015 £
Amounts owed to group undertakings	<u>1,594,589</u>	<u>1,294,383</u>

Amounts owed to Group undertakings are secured by a fixed and floating charge on the assets and undertaking of the Company. Interest is charged on Group balances at 7.5%. The directors have received a confirmation from the lending party that the amounts will not be repayable for a period of not less than twelve months from the date of the statement of financial position.

14. Deferred tax

	£
Balance at 1 July 2015	(3,397)
Charge to Profit and Loss Account during year	<u>5,103</u>
Balance at 30 June 2016	<u>1,706</u>

Sellers Containers Limited (Registered number: 08360810)

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

15. Called up share capital

	2016	2015
	£	£
Issued and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

16. Pension commitments

The pensions of the employees of the Company are generally provided by way of the state scheme. The group operates money purchase schemes for eligible staff members. The pension cost charged to the profit and loss during the year was £14,123 (2015: £4,850).

17. Contingent liabilities

The Company acts unconditionally and jointly and severally as a guarantor for the outstanding bank debt across the Egbert Taylor Group Limited Group. At the financial year end, the total outstanding bank debt across the Group amounted to £6,563,506 (2015: £6,441,753).

18. Related party disclosures

The Company is a wholly owned subsidiary of Egbert Taylor Group Limited. Consequently, the Company has taken advantage of the exemption from disclosing related party transactions with other entities that are wholly owned by Egbert Taylor Group Limited.

19. Ultimate parent undertaking and ultimate controlling party

The immediate parent Company is Egbert Taylor Management Limited and the ultimate parent Company is Egbert Taylor Group Limited. As at 30 June 2016 and as at the date of approval of these financial statements, Egbert Taylor Group Limited was owned by a number of individual investors, none of whom owned more than 10% of the Company. As such, the Directors consider that there is no single controlling party of the Company.

Egbert Taylor Group Limited is the parent of the largest and smallest Group of undertakings to consolidate these financial statements at 30 June 2016. The consolidated financial statements of Egbert Taylor Group Limited are available from its registered office, Oak Park, Ryelands Lane, Elmley Lovett, Droitwich, Worcestershire, WR9 0QZ.

**Notes to the Financial Statements - continued
for the Year Ended 30 June 2016**

20. Transition to FRS 102

The Company has adopted FRS 102 for the year ended 30 June 2016 and has restated the comparative prior year amounts.

Changes for FRS 102 adoption

Holiday Pay

Prior to the adoption of FRS 102, Egbert Taylor Group Limited did not make provision for holiday pay earned but not taken before the year end. FRS 102 requires the cost of this to be recognised when employees render the service that increases their entitlement.

Consequently, an additional accrual of £13,346 at 1 July 2014 has been made to reflect this. The provision at 30 June 2015 had increased to £17,369 and the increase in provision of £4,023 has been charged to the statement of income in the year ended 30 June 2015.

Reconciliation between Equity at the transition date and at the end of the comparative period under UK GAAP and FRS 102

	30-Jun-15	01-Jul-14
Equity under previous GAAP	(1,280,576)	(958,652)
Provision for holiday pay	(17,369)	(13,346)
Current tax effect of above	3,474	2,669
Equity under FRS 102	<u>(1,294,471)</u>	<u>(969,329)</u>

Reconciliation between the loss for the comparative year as reported under current UK GAAP and FRS 102

Loss for the year under previous GAAP	(321,924)
Increase in provision for holiday pay	(4,023)
Current tax effect of above	805
Loss for the year under FRS 102	<u>(325,142)</u>