

COMPANY REGISTRATION NUMBER 06803066

COMPANIES HOUSE COPY

**ARTHUR M GRIFFITHS & SON (HOLDINGS)
LIMITED**

FINANCIAL STATEMENTS

31 MARCH 2015



MURAS BAKER JONES LIMITED

Chartered Accountants & Statutory Auditor
Regent House
Bath Avenue
Wolverhampton
West Midlands
WV1 4EG

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

CONTENTS	PAGE
Officers and professional advisers	1
Strategic report	2
Directors' report	3
Independent auditor's report to the shareholders	5
Profit and loss account	7
Group balance sheet	8
Balance sheet	9
Group cash flow	10
Notes to the financial statements	11

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr R C Gutteridge Mrs S Hodgkiss
Registered office	5 Amos Avenue Wednesfield Wolverhampton West Midlands WV11 1LF
Auditor	Muras Baker Jones Limited Chartered Accountants & Statutory Auditor Regent House Bath Avenue Wolverhampton West Midlands WV1 4EG
Bankers	HSBC Bank plc Queens Square Wolverhampton West Midlands WV1 1TE

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

STRATEGIC REPORT

~~YEAR ENDED 31 MARCH 2015~~

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group continued to be that of builders and contractors.

Despite continuing difficult trading conditions, the the group has been able to achieve a 75% growth in turnover for the year compared with 2014. There has also been a significant investment in strengthening the management structure of the subsidiary which has further improved efficiency and competitiveness.

The year has seen the group achieve a profit before taxation of £741,501 compared with a profit of £190,745 for the previous year. It has also experienced a net cash inflow in excess of £2.5m, giving liquid cash resources in excess of £4.3m at the balance sheet date.

Since the year end there have been significant changes within the group following the de-merger of its subsidiary, Arthur M Griffiths & Son Limited. As a result, during 2015/16 the principal activity of the group will become that of property investment.

Financial risk management objectives and policies

The group manages financial risk through the active involvement of the directors in the day to day management of its affairs. All contracts undertaken are closely monitored for costs and profitability. There is a degree of exposure to price risk on any work undertaken by the group, but the directors try to minimise this when negotiating the terms on each contract.

The group is required to tender for much of its work and as a result there is always the risk that it will be outbid in the tender process. To reduce this risk, the improved cost management on contracts has enabled the group to be competitive when quoting for work. There has also been a strengthening of the management team over the past year enabling it to compete for an increased range of work and improve control over ongoing contracts.

The group enjoys a good level of liquidity as a result of both profitability and prudent management over recent years. Notwithstanding this, there is close control of ledger balances and individual contracts to ensure that wherever possible a positive cash flow is maintained.

Signed on behalf of the directors



R C Gutteridge
Director

Approved by the directors on 9 November 2015

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2015

The directors present their report and the financial statements of the group for the year ended 31 March 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £591,872. Particulars of dividends paid are detailed in note 11 to the financial statements.

DIRECTORS

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

Mr S C Dix
Mr M J Walsh
Mr G J Wildsmith
Mr R J Green

Mr R C Gutteridge was appointed as a director on 27 April 2015.
Mrs S Hodgkiss was appointed as a director on 27 April 2015.
Mr S C Dix resigned as a director on 27 April 2015.
Mr M J Walsh resigned as a director on 27 April 2015.
Mr G J Wildsmith resigned as a director on 27 April 2015.
Mr R J Green resigned as a director on 27 April 2015.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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 the group and of the profit or loss of the group for that year.

In preparing these 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 group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has set out in its strategic report the information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

AUDITOR

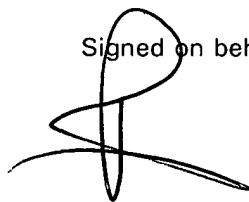
Muras Baker Jones Limited will seek re-appointment as auditors in accordance with section 485 of the Companies Act 2006 at the forthcoming Annual General Meeting.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
5 Amos Avenue
Wednesfield
Wolverhampton
West Midlands
WV11 1LF

Signed on behalf of the directors



R C Gutteridge
Director

Approved by the directors on 9 November 2015

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

YEAR ENDED 31 MARCH 2015

We have audited the group and parent company financial statements ("the financial statements") of Arthur M Griffiths & Son (Holdings) Limited for the year ended 31 March 2015. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED *(continued)*

YEAR ENDED 31 MARCH 2015

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



TREVOR BRUETON BA FCA (Senior
Statutory Auditor)
For and on behalf of
MURAS BAKER JONES LIMITED
Chartered Accountants
& Statutory Auditor

Regent House
Bath Avenue
Wolverhampton
West Midlands
WV1 4EG

9 November 2015

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
GROUP TURNOVER	3	21,598,062	12,360,721
Change in stocks of finished goods and work in progress		(72,978)	(52,600)
Other operating income	4	50,614	54,339
		<u>21,575,698</u>	<u>12,362,460</u>
Raw materials and consumables		(3,132,431)	(1,829,532)
Other external charges		(15,569,848)	(8,819,032)
Staff costs	5	(1,815,822)	(1,282,530)
Depreciation written off fixed assets	6	(41,440)	(43,593)
Other operating charges		(280,060)	(199,804)
OPERATING PROFIT	6	<u>736,097</u>	<u>187,969</u>
Interest receivable		5,423	2,776
Interest payable and similar charges	8	(19)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>741,501</u>	<u>190,745</u>
Tax on profit on ordinary activities	9	(149,629)	(39,600)
PROFIT FOR THE FINANCIAL YEAR	10	<u><u>591,872</u></u>	<u><u>151,145</u></u>

Details of discontinued activities of the group are shown in note 2 to the financial statements.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 11 to 22 form part of these financial statements.


ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

GROUP BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	12	1,426,469	1,353,845
Investments	13	<u>2</u>	<u>2</u>
		<u>1,426,471</u>	<u>1,353,847</u>
CURRENT ASSETS			
Stocks	14	23,004	69,310
Debtors	15	4,611,175	3,134,061
Cash at bank and in hand		<u>4,353,477</u>	<u>1,815,034</u>
		8,987,656	5,018,405
CREDITORS: Amounts falling due within one year	16	<u>6,964,447</u>	<u>3,468,244</u>
NET CURRENT ASSETS		2,023,209	1,550,161
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,449,680</u>	<u>2,904,008</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	17	7,500	7,500
		<u>3,442,180</u>	<u>2,896,508</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	33,800	30,000
Share premium account	22	1,970,000	1,970,000
Profit and loss account	22	1,438,380	896,508
SHAREHOLDERS' FUNDS	23	<u>3,442,180</u>	<u>2,896,508</u>

These accounts were approved by the directors and authorised for issue on 9 November 2015, and are signed on their behalf by:


R C Gutteridge
Director

The notes on pages 11 to 22 form part of these financial statements.


ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	12	1,310,796	1,238,695
Investments	13	2,000,002	2,000,002
		<u>3,310,798</u>	<u>3,238,697</u>
CURRENT ASSETS			
Debtors	15	–	1,229
Cash at bank		21,085	41,752
		<u>21,085</u>	<u>42,981</u>
CREDITORS: Amounts falling due within one year	16	<u>628,850</u>	<u>594,233</u>
NET CURRENT LIABILITIES		(607,765)	(551,252)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,703,033</u>	<u>2,687,445</u>
CAPITAL AND RESERVES			
Called-up equity share capital	21	33,800	30,000
Share premium account	22	1,970,000	1,970,000
Profit and loss account	22	699,233	687,445
SHAREHOLDERS' FUNDS		<u>2,703,033</u>	<u>2,687,445</u>

These accounts were approved by the directors and authorised for issue on 9 November 2015, and are signed on their behalf by:


R C Gutteridge
Director

Company Registration Number: 06803066

The notes on pages 11 to 22 form part of these financial statements.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

GROUP CASH FLOW

YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	24	2,734,782	391,435
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	24	5,404	2,776
TAXATION	24	(41,479)	(8,113)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	24	(114,064)	(26,677)
EQUITY DIVIDENDS PAID		(50,000)	–
CASH INFLOW BEFORE FINANCING		<u>2,534,643</u>	<u>359,421</u>
FINANCING	24	3,800	–
INCREASE IN CASH	24	<u><u>2,538,443</u></u>	<u><u>359,421</u></u>

The notes on pages 11 to 22 form part of these financial statements.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

The consolidated financial statements incorporate the results of Arthur M Griffiths & Son (Holdings) Limited and all of its subsidiary undertakings as at 31 March 2015 using the acquisition or merger method of accounting as required. Where the acquisition method is used, the results of subsidiary undertakings are included from the date of acquisition.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Goodwill

- Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired.
- Goodwill is capitalised and amortised through the profit and loss account over its useful economic life. Impairment tests on the carrying value of goodwill are undertaken at the end of the first full financial year following acquisition, and in other periods, if events or changes in circumstances indicate that the carrying value may not be recoverable.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% per annum
Plant & Machinery	-	25% straight line basis
Motor Vehicles	-	30% on reducing balance

Depreciation is no longer provided on freehold property used by the group on the basis that it is maintained to such a standard that its residual value is at least that of the value shown in the financial statements. This represents a departure from Companies Act 2006 which requires fixed assets to be depreciated over their useful lives and is necessary to enable the financial statements to show a true and fair view.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES *(continued)*

Investment properties

Investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of investment properties. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19 Accounting for investment properties. The financial effect of the departure from the statutory accounting rules is not material.

Stock and work in progress

Stock and work in progress are valued at the lower of costs and net realisable value.

Long term contracts

Amounts recoverable on long term contracts, which are included in debtors are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account.

Pension costs

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

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 exceptions:

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/an undiscounted 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.

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

2. DISCONTINUED OPERATIONS

On 27 April 2015 the trading subsidiary, Arthur M Griffiths & Son Limited, left the group as part of a de-merger agreement. The profit and loss account for the year ended 31 March 2015 includes the following in respect of this subsidiary:

	2015 £
Turnover	21,598,062
Changes in work in progress	(72,978)
Other operating income	3,053
Raw materials and consumables	(3,132,434)
Other external charges	(15,569,848)
Staff costs	(1,815,822)
Depreciation	(41,440)
Other operating charges	(294,251)
Operating profit	<u>674,342</u>

3. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the group. An analysis of turnover is given below:

	2015 £	2014 £
United Kingdom	<u>21,598,062</u>	<u>12,360,721</u>

4. OTHER OPERATING INCOME

	2015 £	2014 £
Rent receivable	47,561	49,433
Government grants received	1,199	2,797
Discounts received	1,854	2,109
	<u>50,614</u>	<u>54,339</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2015	2014
	No	No
Number of production staff	19	21
Number of administrative staff	27	16
	<u>46</u>	<u>37</u>

The aggregate payroll costs of the above were:

	2015	2014
	£	£
Wages and salaries	1,584,418	1,107,828
Social security costs	177,718	125,980
Other pension costs	53,686	48,722
	<u>1,815,822</u>	<u>1,282,530</u>

6. OPERATING PROFIT

Operating profit is stated after charging:

	2015	2014
	£	£
Depreciation of owned fixed assets	33,680	43,291
Loss on disposal of fixed assets	7,760	302
Auditor's remuneration		
- as auditor	9,250	9,000
- for other services	5,000	4,921

7. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015	2014
	£	£
Aggregate remuneration	310,519	245,813
Value of company pension contributions to money purchase schemes	20,498	42,497
	<u>331,017</u>	<u>288,310</u>

Remuneration of highest paid director:

	2015	2014
	£	£
Total remuneration (excluding pension contributions)	<u>87,373</u>	<u>85,665</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

7. DIRECTORS' REMUNERATION *(continued)*

The number of directors who accrued benefits under company pension schemes was as follows:

	2015 No	2014 No
Money purchase schemes	<u>2</u>	<u>3</u>

On 7 November the company issued 3,800 ordinary shares with a market value of £68,481 to R J Green in accordance with the provisions of his service agreement.

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest payable on bank borrowing	<u>19</u>	<u>-</u>

9. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015 £	2014 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 21% (2014 - 20%)	149,974	41,850
(Over)/under provision in prior year	<u>(345)</u>	<u>(50)</u>
Total current tax	149,629	41,800
Deferred tax:		
Origination and reversal of timing differences (note 17)		
Capital allowances	-	(2,200)
Tax on profit on ordinary activities	<u>149,629</u>	<u>39,600</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

9. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2014 - 20%).

The group corporation tax charge for the year has been reduced by £12,360 in respect of relief claimed on the market value adjustment for shares issued to a director during the year.

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>741,501</u>	<u>190,745</u>
Profit on ordinary activities by rate of tax	155,715	38,149
Expenses not deductible for tax purposes	(252)	(559)
Depreciation for the period in excess of capital allowances	1,717	3,889
Adjustments to tax charge in respect of previous periods	(345)	(50)
Rounding on tax charge	5,948	371
Change in tax rate	(794)	-
Market value adjustment for shares issued to director	<u>(12,360)</u>	<u>-</u>
Total current tax (note 9(a))	<u>149,629</u>	<u>41,800</u>

10. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £61,788 (2014 - £51,268).

11. DIVIDENDS

Equity dividends

	2015 £	2014 £
Paid during the year:		
Interim equity dividend on Ordinary Shares	<u>50,000</u>	<u>-</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

12. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Investment properties £	Plant & Machinery £	Motor Vehicles £	Total £
COST					
At 1 April 2014	268,893	998,501	217,787	220,284	1,705,465
Additions	2,011	70,090	15,228	63,045	150,374
Disposals	—	—	—	(113,578)	(113,578)
At 31 March 2015	<u>270,904</u>	<u>1,068,591</u>	<u>233,015</u>	<u>169,751</u>	<u>1,742,261</u>
DEPRECIATION					
At 1 April 2014	28,699	—	199,069	123,852	351,620
Charge for the year	—	—	7,460	26,220	33,680
On disposals	—	—	—	(69,508)	(69,508)
At 31 March 2015	<u>28,699</u>	<u>—</u>	<u>206,529</u>	<u>80,564</u>	<u>315,792</u>
NET BOOK VALUE					
At 31 March 2015	<u>242,205</u>	<u>1,068,591</u>	<u>26,486</u>	<u>89,187</u>	<u>1,426,469</u>
At 31 March 2014	<u>240,194</u>	<u>998,501</u>	<u>18,718</u>	<u>96,432</u>	<u>1,353,845</u>
Company			Freehold Property £	Investment properties £	Total £
COST					
At 1 April 2014			268,893	998,501	1,267,394
Additions			2,011	70,090	72,101
At 31 March 2015			<u>270,904</u>	<u>1,068,591</u>	<u>1,339,495</u>
DEPRECIATION					
At 1 April 2014 and 31 March 2015			<u>28,699</u>	—	<u>28,699</u>
NET BOOK VALUE					
At 31 March 2015			<u>242,205</u>	<u>1,068,591</u>	<u>1,310,796</u>
At 31 March 2014			<u>240,194</u>	<u>998,501</u>	<u>1,238,695</u>

In the opinion of the directors the market value of the freehold property and its investment properties at 31 March 2015 is not significantly different to that of the net book value disclosed above.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

13. INVESTMENTS

Group	Total £
COST	
At 1 April 2014 and 31 March 2015	<u>2</u>
NET BOOK VALUE	
At 31 March 2015 and 31 March 2014	<u>2</u>

Company	Group companies £	Associated undertakings £	Total £
COST			
At 1 April 2014 and 31 March 2015	<u>2,000,000</u>	<u>2</u>	<u>2,000,002</u>
NET BOOK VALUE			
At 31 March 2015 and 31 March 2014	<u>2,000,000</u>	<u>2</u>	<u>2,000,002</u>

The investment in subsidiary undertakings comprise a holding of 100% of the issued ordinary share capital of Arthur M Griffiths & Son Limited. The principal activity of the subsidiary is that of builders and contractors.

The other investment comprises a holding of 22% of the issued share capital of Edward Lisle Gardens Management Company Limited. The principal activity of this company is that of property management.

14. STOCKS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Raw materials	2,500	2,500	-	-
Work in progress	<u>20,504</u>	<u>66,810</u>	<u>-</u>	<u>-</u>
	<u>23,004</u>	<u>69,310</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	3,181,224	2,051,986	-	1,229
Amounts recoverable on long term contracts	1,413,577	1,066,700	-	-
Other debtors	1,694	1,694	-	-
Prepayments and accrued income	<u>14,680</u>	<u>13,681</u>	<u>-</u>	<u>-</u>
	<u>4,611,175</u>	<u>3,134,061</u>	<u>-</u>	<u>1,229</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Payments received on account	568,461	60,145	-	-
Trade creditors	5,153,492	2,989,857	-	26,671
Amounts owed to group undertakings	-	-	628,848	554,710
Other creditors including taxation and social security:				
Corporation tax	150,000	41,850	-	12,850
PAYE and social security	97,431	65,465	-	-
VAT	948,556	213,083	-	-
Other creditors	220	52,907	2	2
Accruals and deferred income	46,287	44,937	-	-
	<u>6,964,447</u>	<u>3,468,244</u>	<u>628,850</u>	<u>594,233</u>

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Provision brought forward	7,500	9,700	-	-
Decrease in provision	-	(2,200)	-	-
Provision carried forward	<u>7,500</u>	<u>7,500</u>	<u>-</u>	<u>-</u>

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2015		2014	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>7,500</u>	<u>-</u>	<u>7,500</u>	<u>-</u>

18. CONTINGENCIES

At 31 March 2015 the group had given performance guarantees amounting to £205,812. The company has given an unlimited guarantee in respect of any bank borrowings by its subsidiary. At 31 March 2015 these borrowings amounted to £Nil.

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

19. TRANSACTIONS WITH THE DIRECTORS

During the year the group has invoiced the following amounts to directors in respect of work carried out on their behalf: S C Dix £262 (2014 - £156), M J Walsh £220 (2014 - £53) and G J Wildsmith £318 (2014 - £3,479). During the year the company has invoiced the following amounts to directors in respect of a car purchase; S Dix £6,195 (2014 - £nil). All of the above are invoiced under the group's normal terms and conditions. At 31 March 2015 there were sales ledger balances due from S C Dix £314 (2014 - £187), M J Walsh £nil (2014 - £64) and G J Wildsmith £nil (2014 - £4,174).

In accordance with the terms of his service agreement, the company issued on 7 November 2014 3,800 ordinary shares of £1 each to R J Green. The market value of the shares at that date amounted to £68,481.

20. RELATED PARTY TRANSACTIONS

The group has an interest in Edward Lisle Gardens Management Company Limited, a company in which M J Walsh and G J Wildsmith are also directors. During the year the group paid £2,464 (2014 - £3,285) in service charges to this company and made sales of £4,190 (2014 - £nil).

During the year the group paid subscriptions of £2,254 to Wolverhampton Business Safety Group Limited, a company in which M J Walsh is a director.

During the year the group paid £1,134 to Scan File Limited, a company in which R C Gutteridge is a director.

21. SHARE CAPITAL

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares (2014 - 30,000) of £1 each	<u>33,800</u>	<u>33,800</u>	<u>30,000</u>	<u>30,000</u>

22. RESERVES

Group	Share premium account £	Profit and loss account £
Balance brought forward	1,970,000	896,508
Profit for the year	-	591,872
Equity dividends	-	(50,000)
Balance carried forward	<u>1,970,000</u>	<u>1,438,380</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

22. RESERVES (continued)

Company	Share premium account £	Profit and loss account £
Balance brought forward	1,970,000	687,445
Profit for the year	-	61,788
Equity dividends	-	(50,000)
Balance carried forward	<u>1,970,000</u>	<u>699,233</u>

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Profit for the financial year	591,872	151,145
New ordinary share capital subscribed	3,800	-
Equity dividends	(50,000)	-
Net addition to shareholders' funds	<u>545,672</u>	<u>151,145</u>
Opening shareholders' funds	<u>2,896,508</u>	<u>2,745,363</u>
Closing shareholders' funds	<u>3,442,180</u>	<u>2,896,508</u>

24. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	736,097	187,969
Depreciation	33,680	43,291
Loss on disposal of fixed assets	7,760	-
Decrease in stocks	46,306	52,601
Increase in debtors	(1,477,114)	(1,275,374)
Increase in creditors	<u>3,388,053</u>	<u>1,382,948</u>
Net cash inflow from operating activities	<u>2,734,782</u>	<u>391,435</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015 £	2014 £
Interest received	5,423	2,776
Interest paid	(19)	-
Net cash inflow from returns on investments and servicing of finance	<u>5,404</u>	<u>2,776</u>

TAXATION

	2015 £	2014 £
Taxation	<u>(41,479)</u>	<u>(8,113)</u>

ARTHUR M GRIFFITHS & SON (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

24. NOTES TO THE CASH FLOW STATEMENT *(continued)*

CAPITAL EXPENDITURE

	2015 £	2014 £
Payments to acquire tangible fixed assets	(150,374)	(26,979)
Receipts from sale of fixed assets	36,310	302
Net cash outflow from capital expenditure	<u>(114,064)</u>	<u>(26,677)</u>

FINANCING

	2015 £	2014 £
Issue of equity share capital	3,800	-
Net cash inflow from financing	<u>3,800</u>	<u>-</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2015 £	2014 £
Increase in cash in the period	2,538,443	359,421
Movement in net funds in the period	<u>2,538,443</u>	<u>359,421</u>
Net funds at 1 April 2014	1,815,034	1,455,613
Net funds at 31 March 2015	<u>4,353,477</u>	<u>1,815,034</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Apr 2014 £	Cash flows £	At 31 Mar 2015 £
Net cash:			
Cash in hand and at bank	1,815,034	2,538,443	4,353,477
Net funds	<u>1,815,034</u>	<u>2,538,443</u>	<u>4,353,477</u>

25. POST BALANCE SHEET EVENTS

On 27 April the subsidiary, Arthur M Griffiths & Son Limited, left the group following a de-merger. On the same day Arthur M Griffiths & Son (Holdings) Limited became a subsidiary of Griffiths Estates (2015) Limited.

26. CONTROLLING INTEREST

At the balance sheet date no one party has overall control of the group.