

REGISTERED NUMBER: 00678543 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2015**  
**FOR**  
**CUDDY GROUP LIMITED**

FRIDAY



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29/04/2016 #237  
COMPANIES HOUSE

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

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**FOR THE YEAR ENDED 31 JULY 2015**

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**CUDDY GROUP LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 JULY 2015**

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**DIRECTORS:** J Cuddy  
M Cuddy

**SECRETARY:** J Cuddy

**REGISTERED OFFICE:** Francis House  
Tank Farm Road  
Llandarcy  
Neath  
West Glamorgan  
SA10 6EN

**REGISTERED NUMBER:** 00678543 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Colin John ACA FCCA

**AUDITORS:** Llewelyn Davies  
Chartered Accountants / Statutory Auditors  
Yelverton House  
St John Street  
Whitland  
Carmarthenshire  
SA34 0AW

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JULY 2015**

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The directors present their strategic report of the company and the group for the year ended 31 July 2015.

**REVIEW OF BUSINESS**

This has been the first full year of trading for the re-organised Cuddy Group which now provides specialist services to the construction sector through nine wholly owned subsidiaries, namely: Cuddy Demolition Limited; Cuddy Environmental Limited; Cuddy Groundworks Limited; Cuddy Plant and Transport Limited; Cuddy Recycling Limited; Cuddy Remediation Limited; Cuddy Scaffolding Limited; Cuddy Projects Limited and Cuddy Demolition and Dismantling Limited.

The Group has traded profitably during a period of transition and has achieved pre tax profit of £191,135 on a turnover of £42,252,059. Whilst there has been an ongoing focus on profitability, the overall margin achieved has been partly impacted by increased contract costs and the availability of appropriately skilled labour.

Going forward, the re-organisation of the Group will help to improve internal efficiency and provide increased transparency of operational performance and hence help to increase the focus on overall profitability. The re-organisation will also help facilitate the delivery of the Group's strategic and sustainable growth plans as it targets profitable markets and responsible clients within the construction sector. Indeed, during this period of transition the Group has continued to broaden its client base and provides services to a wide variety of sectors including heavy industry, commercial, defence, nuclear, rail, education, energy, healthcare and housing.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties affecting the Group are considered to arise from the general economic environment, which is outside the Group's control. To address the foregoing, the Directors continually monitor the sectors in which the Group operates in order to assess potential impact on overall demand. The Group carefully manages its working capital requirements and its overall financial position in order to deal with situations that it may face in the future.

**KEY PERFORMANCE INDICATORS**

The Group's Key performance indicators are considered to be financial, turnover and operating profit. These are shown in the profit and loss account.

**FUTURE DEVELOPMENTS**

With a strong order book and a healthy pipeline of opportunities across the Group, the outlook for 2016 appears favourable. The Directors therefore remain confident regarding the future prospects for the Group and are optimistic with regards to future trading activities in the sectors in which it currently operates. Indeed, the Directors will continue to place emphasis on profitable and sustainable growth supported by prudent financial management whilst maintaining total commitment to health and safety considerations.

**ON BEHALF OF THE BOARD:**



.....  
M Cuddy - Director

Date: 29/4/16

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JULY 2015**

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

**PRINCIPAL ACTIVITY**

The principal activity of the Group in the year under review was that of a holding company. In addition the principal activities of the Group's wholly owned subsidiaries are decommissioning, demolition, land remediation, asbestos management, civil engineering, groundworks, transportation, plant hire, scaffolding and recycling.

**DIVIDENDS**

No interim dividend was paid during the year. The directors recommend a final dividend of 0.36 per share.

The total distribution of dividends for the year ended 31 July 2015 will be £90,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 August 2014 to the date of this report.

J Cuddy  
M Cuddy

**FINANCIAL RISK MANAGEMENT**

The Group's operations expose it to a variety of financial risks that include the effect of changes in commodity prices, credit risk, liquidity risk and interest rate risk. The Directors' regularly review these risks and adopt such measures they consider appropriate to minimise them.

**Price risk**

The Directors consider commodity price risk when negotiating contracts with customers.

**Credit risk**

The Group does not have a concentration of sales with any one customer and is not exposed to unacceptable levels of credit risk.

**Liquidity risk**

The Group has adopted a policy of retaining profits earned within the business which has provided an important element of the funds required to finance growth. In addition the Group has secured adequate overdraft facilities to provide sufficient funds for operations.

**Interest rate cash flow risk**

The Group has relatively modest levels of interest bearing liabilities which, having regard to the current and predicted interest climate, are not considered to expose the Group to unacceptable levels of risk.

**EMPLOYEES**

The Group is fully committed to a policy of equal opportunity employment.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their respective business and of the Group as a whole.

**GOING CONCERN**

The Directors have reviewed the latest budgets and forecasts for the Group covering the forthcoming year. Based on these forecasts and the support provided historically by the individual subsidiaries within the Group to each other the Directors believe that it is appropriate to prepare the accounts on a going concern basis.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 JULY 2015**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 period. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director 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 group's auditors are aware of that information.

**AUDITORS**

The auditors, Llewelyn Davies, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
M Cuddy - Director

Date: 29.4.16  
.....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**CUDDY GROUP LIMITED**

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We have audited the financial statements of Cuddy Group Limited for the year ended 31 July 2015 on pages seven to twenty seven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 Group Strategic Report and the Report of the Directors 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 of the parent company's affairs as at 31 July 2015 and of the group's 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 other matter prescribed by the Companies Act 2006**

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

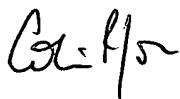
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**CUDDY GROUP LIMITED**

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**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.



Colin John ACA FCCA (Senior Statutory Auditor)  
for and on behalf of Llewelyn Davies  
Chartered Accountants / Statutory Auditors  
Yelverton House  
St John Street  
Whitland  
Carmarthenshire  
SA34 0AW

Date: 29.04.2016.



**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2015**

	Notes	2015 £	2014 £
<b>TURNOVER</b>		<b>42,252,059</b>	43,437,606
Cost of sales		<b>(33,515,625)</b>	(36,265,320)
<b>GROSS PROFIT</b>		<b>8,736,434</b>	7,172,286
Administrative expenses		<b>(8,307,089)</b>	(6,051,840)
		<b>429,345</b>	1,120,446
Other operating income		<b>29,441</b>	28,337
<b>OPERATING PROFIT</b>	4	<b>458,786</b>	1,148,783
Interest payable and similar charges	5	<b>(267,651)</b>	(227,007)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>191,135</b>	921,776
Tax on profit on ordinary activities	6	<b>(333,319)</b>	(291,942)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<b>(142,184)</b>	629,834

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

The notes form part of these financial statements

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**CONSOLIDATED BALANCE SHEET**  
**31 JULY 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	9	8,094,895	6,373,555
Investments	10	-	-
Investment property	11	351,683	351,683
		<u>8,446,578</u>	<u>6,725,238</u>
<b>CURRENT ASSETS</b>			
Stocks	12	45,000	-
Debtors	13	9,629,790	6,666,396
Cash at bank		729,154	754,078
		<u>10,403,944</u>	<u>7,420,474</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(13,259,695)	(9,891,266)
<b>NET CURRENT LIABILITIES</b>		<u>(2,855,751)</u>	<u>(2,470,792)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,590,827	4,254,446
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(2,543,362)	(1,107,926)
<b>PROVISIONS FOR LIABILITIES</b>	19	(201,144)	(68,015)
<b>NET ASSETS</b>		<u>2,846,321</u>	<u>3,078,505</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	251,224	251,224
Revaluation reserve	21	2,414	2,414
Other reserves	21	92	92
Profit and loss account	21	2,592,591	2,824,775
<b>SHAREHOLDERS' FUNDS</b>	24	<u>2,846,321</u>	<u>3,078,505</u>

The financial statements were approved by the Board of Directors on 29.04.2016 and were signed on its behalf by:



.....  
M Cuddy - Director

The notes form part of these financial statements

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**COMPANY BALANCE SHEET**  
**31 JULY 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible assets	9	-	-
Investments	10	200,116	-
Investment property	11	-	-
		<u>200,116</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Stocks	12	20,000	-
Debtors	13	3,728,632	9,632
		<u>3,748,632</u>	<u>9,632</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	(3,830,716)	(97,535)
<b>NET CURRENT LIABILITIES</b>		<u>(82,084)</u>	<u>(87,903)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>118,032</u>	<u>(87,903)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	251,224	51,200
Revaluation reserve	21	2,414	2,414
Other reserves	21	92	-
Profit and loss account	21	(135,698)	(141,517)
<b>SHAREHOLDERS' FUNDS</b>	24	<u>118,032</u>	<u>(87,903)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 29.04.2016 and were signed on its behalf by:



.....  
M Cuddy - Director

The notes form part of these financial statements

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2015**

	Notes	2015 £	2014 £
<b>Net cash inflow from operating activities</b>	1	<b>2,041,992</b>	<b>3,142,589</b>
<b>Returns on investments and servicing of finance</b>	2	<b>(267,651)</b>	<b>(227,007)</b>
<b>Taxation</b>		<b>(297,046)</b>	<b>(271,363)</b>
<b>Capital expenditure and financial investment</b>	2	<b>(3,678,439)</b>	<b>(1,057,510)</b>
<b>Equity dividends paid</b>		<b>(90,000)</b>	<b>(484,000)</b>
		<b>(2,291,144)</b>	<b>1,102,709</b>
<b>Financing</b>	2	<b>2,266,220</b>	<b>(1,174,491)</b>
<b>Decrease in cash in the period</b>		<b>(24,924)</b>	<b>(71,782)</b>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Decrease in cash in the period		<b>(24,924)</b>	<b>(71,782)</b>
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<b>(2,012,355)</b>	<b>1,271,207</b>
Change in net debt resulting from cash flows		<b>(2,037,279)</b>	<b>1,199,425</b>
<b>Movement in net debt in the period</b>		<b>(2,037,279)</b>	<b>1,199,425</b>
<b>Net debt at 1 August</b>		<b>(1,791,046)</b>	<b>(2,990,471)</b>
<b>Net debt at 31 July</b>		<b>(3,828,325)</b>	<b>(1,791,046)</b>

The notes form part of these financial statements

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2015**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2015	2014
	£	£
Operating profit	458,786	1,148,783
Depreciation charges	2,237,562	2,195,754
Profit on disposal of fixed assets	(280,465)	(135,555)
Government grants	(12,775)	-
Increase in stocks	(45,000)	-
(Increase)/decrease in debtors	(2,963,394)	3,859,552
Increase/(decrease) in creditors	2,647,278	(3,925,945)
<b>Net cash inflow from operating activities</b>	<b>2,041,992</b>	<b>3,142,589</b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015	2014
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest paid	(87,106)	(63,554)
Interest element of hire purchase payments	(180,545)	(163,453)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(267,651)</b>	<b>(227,007)</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(6,466,762)	(459,255)
Sale of tangible fixed assets	2,788,323	431,300
Capital expenditure	-	(1,029,555)
<b>Net cash outflow for capital expenditure and financial investment</b>	<b>(3,678,439)</b>	<b>(1,057,510)</b>
<b>Financing</b>		
Loan repayments in year	(125,024)	(1,590)
Capital repayments in year	2,150,762	(1,267,297)
Amount introduced by directors	423,906	533,689
Amount withdrawn by directors	(183,424)	(439,185)
Share issue	-	(108)
<b>Net cash inflow/(outflow) from financing</b>	<b>2,266,220</b>	<b>(1,174,491)</b>

The notes form part of these financial statements

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 JULY 2015**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1.8.14</b>	<b>Cash flow</b>	<b>At</b>
	<b>£</b>	<b>£</b>	<b>31.7.15</b>
			<b>£</b>
Net cash:			
Cash at bank	754,078	(24,924)	729,154
	<u>754,078</u>	<u>(24,924)</u>	<u>729,154</u>
Debt:			
Hire purchase	(2,219,665)	(2,150,762)	(4,370,427)
Debts falling due within one year	(120,676)	18,751	(101,925)
Debts falling due after one year	(204,783)	119,656	(85,127)
	<u>(2,545,124)</u>	<u>(2,012,355)</u>	<u>(4,557,479)</u>
Total	<u>(1,791,046)</u>	<u>(2,037,279)</u>	<u>(3,828,325)</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2015**

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**1. ACCOUNTING POLICIES**

**Accounting convention**

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

The Directors have reviewed the latest budgets and forecasts for the Group covering the forthcoming year. Based on these forecasts and the support provided historically by the individual subsidiaries within the Group to each other the Directors believe that it is appropriate to prepare the accounts on a going concern basis.

**Basis of consolidation**

The basis of consolidation is that of merger accounting.

The consolidated financial statements include the results of Cuddy Group Ltd and all its subsidiary undertakings made up to the same accounting date. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation.

**Related party exemption**

The company has taken advantage of an exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax, adjusted for changes in the amounts recoverable on long term contracts.

On contracts that are forecast to be profitable, turnover and attributable profit are taken on the basis of the value of work executed at the balance sheet date, taking into account the stage of completion of the contract and any known inequalities in the profitability at various stages of the contract.

**Tangible fixed assets**

Depreciation is provided on a straight line basis at rates varying from 5% to 50% in order to write off each asset over its estimated useful economic life, or if held under a finance lease, over the lease term, whichever is shorter.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**1. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

**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.

**2. STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	11,115,846	8,893,934
Social security costs	1,058,726	725,819
Other pension costs	101,220	33,322
	<u>12,275,792</u>	<u>9,653,075</u>

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

	2015	2014
Administrative	73	58
Operational	344	296
	<u>417</u>	<u>354</u>

**3. DIRECTORS' EMOLUMENTS**

	2015	2014
	£	£
Directors' remuneration	387,901	382,076
Directors' pension contributions to money purchase schemes	18,000	17,291
	<u>405,901</u>	<u>399,367</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**3. DIRECTORS' EMOLUMENTS - continued**

Information regarding the highest paid director is as follows:

	2015	2014
	£	£
Emoluments etc	127,501	127,446
Pension contributions to money purchase schemes	9,000	8,646

In addition to the gross salary above the director is in receipt of taxable benefits of £37,564 (2014 :£37,172)

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Hire of plant and machinery	392,587	3,052,844
Depreciation - owned assets	251,842	2,787,678
Depreciation - assets on hire purchase contracts	1,985,722	2,122,215
Profit on disposal of fixed assets	(280,465)	(135,555)
Auditors remuneration	30,000	15,000
Taxation compliance services	-	2,540

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2015	2014
	£	£
Bank interest	62,277	62,354
Bank loan interest	21,661	1,200
Other loan interest	3,168	-
Hire purchase	168,787	113,671
Leasing	11,758	49,782
	267,651	227,007

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2015	2014
	£	£
Current tax:		
UK corporation tax	200,796	297,046
Deferred taxation	132,523	(5,104)
Tax on profit on ordinary activities	333,319	291,942

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**6. TAXATION - continued**

**Factors affecting the tax charge**

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

	2015	2014
	£	£
Profit on ordinary activities before tax	<u>191,135</u>	<u>921,776</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 0%)	38,227	-
Effects of:		
Expenses not deductible for tax purposes	28,762	15,318
Capital allowances in excess of depreciation	(47,084)	-
Depreciation in excess of capital allowances	-	97,373
Change in tax rate	5,600	-
Unrelieved tax losses	175,291	-
Prior year profit at tax rate of 20%	-	184,355
Current tax charge	<u>200,796</u>	<u>297,046</u>

**Factors that may affect future tax charges**

The Group has significant taxable losses at its disposal to offset against future taxable profits.

**7. PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £95,819 (2014 - £(250) loss).

**8. DIVIDENDS**

	2015	2014
	£	£
Ordinary shares of £1 each		
Final	<u>90,000</u>	<u>484,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**9. TANGIBLE FIXED ASSETS****Group**

	<b>Short leasehold £</b>	<b>Long leasehold £</b>	<b>Plant and machinery £</b>
<b>COST</b>			
At 1 August 2014	127,641	91,838	15,713,152
Additions	-	-	5,796,313
Disposals	-	-	(11,185,455)
At 31 July 2015	<u>127,641</u>	<u>91,838</u>	<u>10,324,010</u>
<b>DEPRECIATION</b>			
At 1 August 2014	121,572	9,184	9,592,807
Charge for year	6,069	18,368	2,121,741
Eliminated on disposal	-	-	(8,701,105)
At 31 July 2015	<u>127,641</u>	<u>27,552</u>	<u>3,013,443</u>
<b>NET BOOK VALUE</b>			
At 31 July 2015	<u>-</u>	<u>64,286</u>	<u>7,310,567</u>
At 31 July 2014	<u>6,069</u>	<u>82,654</u>	<u>6,120,345</u>

	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 August 2014	164,125	185,679	16,282,435
Additions	30	670,419	6,466,762
Disposals	-	(30,000)	(11,215,455)
At 31 July 2015	<u>164,155</u>	<u>826,098</u>	<u>11,533,742</u>
<b>DEPRECIATION</b>			
At 1 August 2014	159,617	25,700	9,908,880
Charge for year	837	90,549	2,237,564
Eliminated on disposal	-	(6,492)	(8,707,597)
At 31 July 2015	<u>160,454</u>	<u>109,757</u>	<u>3,438,847</u>
<b>NET BOOK VALUE</b>			
At 31 July 2015	<u>3,701</u>	<u>716,341</u>	<u>8,094,895</u>
At 31 July 2014	<u>4,508</u>	<u>159,979</u>	<u>6,373,555</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**9. TANGIBLE FIXED ASSETS - continued****Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 August 2014	6,164,628	-	6,164,628
Additions	3,817,195	383,839	4,201,034
Transfer to ownership	(3,407,076)	-	(3,407,076)
	<u>6,574,747</u>	<u>383,839</u>	<u>6,958,586</u>
At 31 July 2015			
<b>DEPRECIATION</b>			
At 1 August 2014	2,140,839	-	2,140,839
Charge for year	1,959,438	26,284	1,985,722
Transfer to ownership	(2,740,582)	-	(2,740,582)
	<u>1,359,695</u>	<u>26,284</u>	<u>1,385,979</u>
At 31 July 2015			
<b>NET BOOK VALUE</b>			
At 31 July 2015	<u>5,215,052</u>	<u>357,555</u>	<u>5,572,607</u>
At 31 July 2014	<u>4,023,789</u>	<u>-</u>	<u>4,023,789</u>

**Company**

	<b>Plant and machinery £</b>
<b>COST</b>	
At 1 August 2014 and 31 July 2015	<u>71,028</u>
<b>DEPRECIATION</b>	
At 1 August 2014 and 31 July 2015	<u>71,028</u>
<b>NET BOOK VALUE</b>	
At 31 July 2015	<u>-</u>
At 31 July 2014	<u>-</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**10. FIXED ASSET INVESTMENTS****Company**

	<b>Shares in group undertakings £</b>
<b>COST</b>	
Additions	<b>200,116</b>
At 31 July 2015	<b>200,116</b>
<b>NET BOOK VALUE</b>	
At 31 July 2015	<b>200,116</b>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries****Cuddy Groundworks Limited**

Nature of business: Groundworks

	<b>% holding</b>	<b>2015</b>	<b>2014</b>
Class of shares:		<b>£</b>	<b>£</b>
Ordinary	100.00	<b>5,777</b>	<b>(298)</b>
Aggregate capital and reserves		<b>6,075</b>	<b>(300)</b>
Profit/(loss) for the year		<b>6,075</b>	<b>(300)</b>

**Cuddy Remediation Limited**

Nature of business: Remediation

	<b>% holding</b>	<b>2015</b>	<b>2014</b>
Class of shares:		<b>£</b>	<b>£</b>
Ordinary	100.00	<b>50,891</b>	<b>50,482</b>
Aggregate capital and reserves		<b>409</b>	<b>48,800</b>
Profit for the year		<b>409</b>	<b>48,800</b>

**Cuddy Environmental Limited**

Nature of business: Environmental

	<b>% holding</b>	<b>2015</b>	<b>2014</b>
Class of shares:		<b>£</b>	<b>£</b>
Ordinary	100.00	<b>71,178</b>	<b>158,622</b>
Aggregate capital and reserves		<b>2,556</b>	<b>99,499</b>
Profit for the year		<b>2,556</b>	<b>99,499</b>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

10. **FIXED ASSET INVESTMENTS - continued**

**Cuddy Plant and Transport Limited**

Nature of business: Plant and Transport

Class of shares:	% holding	
Ordinary	100.00	
		<b>2015</b>
		<b>£</b>
Aggregate capital and reserves		<b>3,161</b>
Profit for the year		<b><u>3,158</u></b>

**Cuddy Demolition and Dismantling Limited**

Nature of business: Demolition and Dismantling

Class of shares:	% holding		
Ordinary	100.00		
		<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<b>3,337,633</b>	<b>3,188,468</b>
Profit for the year		<b><u>149,142</u></b>	<b><u>554,981</u></b>

**Cuddy Recycling Limited**

Nature of business: Recycling

Class of shares:	% holding		
Ordinary	100.00		
		<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<b>(152,388)</b>	<b>(37,862)</b>
Loss for the year		<b><u>(114,526)</u></b>	<b><u>(37,864)</u></b>

**Cuddy Demolition Limited**

Nature of business: Demolition

Class of shares:	% holding		
Ordinary	100.00		
		<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<b>28,982</b>	<b>20,203</b>
Profit for the year		<b><u>8,779</u></b>	<b><u>20,201</u></b>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**10. FIXED ASSET INVESTMENTS - continued**

**Cuddy Scaffolding Limited**

Nature of business: Scaffolding

Class of shares:	% holding		
Ordinary	100.00		
		<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<b>24,562</b>	25,911
(Loss)/profit for the year		<b>(1,348)</b>	2,229
		<u><u>          </u></u>	<u><u>          </u></u>

**Cuddy Projects Limited**

Nature of business: Dormant

Class of shares:	% holding		
Ordinary	100.00		
		<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
Aggregate capital and reserves		<b>2</b>	2
		<u><u>          </u></u>	<u><u>          </u></u>

**11. INVESTMENT PROPERTY**

**Group**

	<b>Total £</b>
<b>COST</b>	
At 1 August 2014	
and 31 July 2015	<b>351,683</b>
	<u>          </u>
<b>NET BOOK VALUE</b>	
At 31 July 2015	<b>351,683</b>
	<u><u>          </u></u>
At 31 July 2014	<b>351,683</b>
	<u><u>          </u></u>

The directors have considered the appropriateness of the carrying value of the investment property at the balance sheet date and are satisfied that no changes are required to that value.

**12. STOCKS**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Stock on hand	<b>45,000</b>	-	<b>20,000</b>	-
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors & uninvoyed sales	<b>9,235,042</b>	6,249,851	-	-
Other debtors	<b>344,247</b>	208,953	<b>3,728,632</b>	9,588
VAT	<b>50,501</b>	207,592	-	44
	<b><u>9,629,790</u></b>	<u>6,666,396</u>	<b><u>3,728,632</u></b>	<u>9,632</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 16)	<b>65,163</b>	120,676	-	-
Other loans (see note 16)	<b>36,762</b>	-	-	-
Hire purchase contracts (see note 17)	<b>1,912,192</b>	1,316,522	-	-
Trade and Sundry Creditors	<b>8,432,360</b>	7,247,068	-	-
Taxation	<b>200,796</b>	297,046	<b>15,644</b>	-
Social security and other taxes	<b>364,672</b>	327,322	-	-
Other creditors	<b>689,689</b>	389,575	-	-
Directors' current accounts	<b>335,321</b>	94,839	<b>94,689</b>	94,689
Accrued expenses	<b>1,222,740</b>	98,218	<b>3,720,383</b>	2,846
	<b><u>13,259,695</u></b>	<u>9,891,266</u>	<b><u>3,830,716</u></b>	<u>97,535</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans (see note 16)	<b>40,548</b>	204,783
Other loans (see note 16)	<b>44,579</b>	-
Hire purchase contracts (see note 17)	<b>2,458,235</b>	903,143
	<b><u>2,543,362</u></b>	<u>1,107,926</u>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank loans - less than 1 yr	65,163	120,676
Other loans - less than 1 yr	36,762	-
	<u>101,925</u>	<u>120,676</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	16,003	24,532
Other loans - 1-2 years	44,579	-
	<u>60,582</u>	<u>24,532</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	24,545	180,251
	<u>24,545</u>	<u>180,251</u>

**17. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS****Group**

	<b>Hire purchase contracts</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	1,912,192	1,316,522
Between one and five years	2,458,235	903,143
	<u>4,370,427</u>	<u>2,219,665</u>

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans	105,711	325,459
Hire purchase contracts	4,370,427	2,219,665
	<u>4,476,138</u>	<u>2,545,124</u>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 JULY 2015**

**19. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Deferred tax		
Accelerated capital allowances	-	1,959
Accelerated capital allowances (current year)	<b>201,144</b>	<b>66,056</b>
	<b>201,144</b>	<b>68,015</b>
	<b>201,144</b>	<b>68,015</b>
<b>Group</b>		
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1 August 2014		<b>68,015</b>
Provided during year		<b>133,129</b>
Balance at 31 July 2015		<b>201,144</b>

**20. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
251,224	Ordinary	£1	<b>251,224</b>	<b>251,224</b>

**21. RESERVES**

<b>Group</b>				
	<b>Profit and loss account</b>	<b>Revaluation reserve</b>	<b>Other reserves</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 August 2014	<b>2,824,775</b>	<b>2,414</b>	<b>92</b>	<b>2,827,281</b>
Deficit for the year	<b>(142,184)</b>			<b>(142,184)</b>
Dividends	<b>(90,000)</b>			<b>(90,000)</b>
At 31 July 2015	<b>2,592,591</b>	<b>2,414</b>	<b>92</b>	<b>2,595,097</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**21. RESERVES - continued**

**Company**

	<b>Profit and loss account £</b>	<b>Revaluation reserve £</b>	<b>Other reserves £</b>	<b>Totals £</b>
At 1 August 2014	(141,517)	2,414	92	(139,011)
Profit for the year	95,819			95,819
Dividends	(90,000)			(90,000)
At 31 July 2015	<u>(135,698)</u>	<u>2,414</u>	<u>92</u>	<u>(133,192)</u>

**22. RELATED PARTY DISCLOSURES**

During the year, total dividends of £90,000 were paid to the directors.

**Wrexham Demolition & Dismantling Ltd**

An associate company

Sales from the Group of £76,431 (2014: £3,081,393)

Purchases of £67,000 were made to the Group (2014: £3,000,000).

	<b>2015 £</b>	<b>2014 £</b>
Amount due to related party at the balance sheet date	<u>45,939</u>	<u>76,299</u>

**Axol Ltd**

An associate company

Purchases of £37,760 were made to the Group (2014: £NIL).

	<b>2015 £</b>	<b>2014 £</b>
Amount due to related party at the balance sheet date	<u>1,650</u>	<u>28,600</u>

**ASM Compliance Ltd**

An associate company

Sales from the Group of £28,670 (2014: £18,495).

Purchases of £102,577 were made to the Group (2014: £215,088).

	<b>2015 £</b>	<b>2014 £</b>
Amount due to related party at the balance sheet date	<u>30,000</u>	<u>60,000</u>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

**22. RELATED PARTY DISCLOSURES - continued**

**Ospreys Rugby Ltd**

An associate company

Sponsorship of £15,783 was paid to the related party (2014: £NIL).

**Neath Rugby Ltd**

An associate company

Purchases of £2,695 were made to the Group, (2014: £NIL).

**Goodbox Ltd**

An associate company

A loan of £107,896 is owed by Goodbox Ltd (2014 : £107,896)

**Directors loan account**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Amount due to related party at the balance sheet date	<b><u>335,321</u></b>	<b><u>94,839</u></b>

**23. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the directors.

**24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
(Loss)/profit for the financial year	<b>(142,184)</b>	629,834
Dividends	<b>(90,000)</b>	(484,000)
	<b>(232,184)</b>	145,834
Prior year consolidation amendment	-	(16)
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(232,184)</b>	145,818
Opening shareholders' funds	<b><u>3,078,505</u></b>	<u>2,932,687</u>
<b>Closing shareholders' funds</b>	<b><u>2,846,321</u></b>	<u>3,078,505</u>

**CUDDY GROUP LIMITED (REGISTERED NUMBER: 00678543)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 JULY 2015**

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**24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued**

**Company**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the financial year	<b>95,819</b>	<b>(250)</b>
Dividends	<b>(90,000)</b>	<b>-</b>
	<hr/>	<hr/>
	<b>5,819</b>	<b>(250)</b>
New share capital subscribed	<b>200,024</b>	<b>-</b>
Capital contribution reserve	<b>92</b>	<b>-</b>
	<hr/>	<hr/>
<b>Net addition/(reduction) to shareholders' funds</b>	<b>205,935</b>	<b>(250)</b>
Opening shareholders' funds	<b>(87,903)</b>	<b>(87,653)</b>
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>118,032</b>	<b>(87,903)</b>
	<hr/>	<hr/>