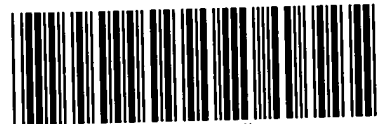


A & M ENERGY SOLUTIONS LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

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FOR THE YEAR ENDED 30 JUNE 2015**

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A & M ENERGY SOLUTIONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2015**

DIRECTORS:

Mr I L Mollard
Mr S Atherton
Mr G K Mollard
Mrs S L Roldaan
Mr A R Laing
Mr I M Holland

SECRETARY:

Mr J J Mansfield

REGISTERED OFFICE:

Environmental House
Sandwash Close
Rainford Ind Estate
Rainford
Merseyside
WA11 8LY

REGISTERED NUMBER:

01118343 (England and Wales)

AUDITORS:

Livesey Spottiswood Ltd
Chartered Accountants and
Statutory Auditors
17 George Street
St Helens
Merseyside
WA10 1DB

BANKERS:

National Westminster Bank Plc
5 Ormskirk Street
St Helens
Merseyside
WA10 1DR

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

The directors present their strategic report of the company and the group for the year ended 30 June 2015.

REVIEW OF BUSINESS

Turnover of the business reduced by 32% to £19,035,583 (2014/15) from £28,105,539 (2013/14) largely as a result of the cessation of heating operations due to a downturn in availability of acceptable funding under the HHCRO.

In addition the changes previously made in Government policy relating to the ECO, resulting in a significant reduction in the volume of measures to be installed in order to achieve current ECO targets, has led to very challenging market conditions within the domestic retrofit insulation sector. Although the company experienced a decline in turnover during the year the effect of a drop in installing capacity across the industry has resulted in an increase in our market share within this sector.

To counter the reduction in volumes within sectors of the business reliant on the ECO, turnover within the commercial insulation sector continued to grow during the year, consistent with the company's strategy to explore and develop markets which are not dependent on Government policy.

Although the operating profit reduced to £1,696,636 (8.9% 2014/15) from £4,171,638 (14.8% 2013/14) the directors consider the performance to have exceeded expectations and to be satisfactory within a challenging and variable marketplace.

PRINCIPAL RISKS AND UNCERTAINTIES

The Government has committed to KYOTO until 2020 with legislation in place defining the ECO obligation for the 2 year period to 31 March 2017 allowing the business to forecast potential volumes within the domestic retrofit sector and tailor operations accordingly. Although the industry is currently experiencing lower volumes the directors hope that the company's increase in market share will prove beneficial under future obligations.

The directors recognise the volatility of the marketplace and endeavour to find alternative markets to mitigate the effect on the overall performance of the company. The business continually reviews profitability across all major market sectors, namely domestic retrofit insulation, commercial and new build insulation and solid wall insulation at each location.

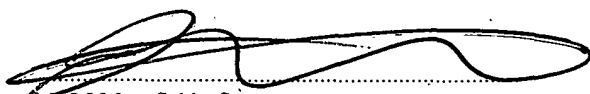
The development and expansion of the commercial and new build operations across all locations within the business provides a suitable alternative to ECO funded work in future.

The company is also undertaking a strategy of geographical expansion with the ultimate aim of providing national coverage to all our partners.

The directors continually review the development of the solid wall insulation market which is considered to be an area with considerable potential for growth in the medium term although funding in the short term is limited.

Financial risk is mitigated by the company maintaining acceptable levels of cash resources further to recent periods of profitability however the directors closely assess the working capital requirements of the business noting the often elongated submission and acceptance process for measures funded under the ECO.

ON BEHALF OF THE BOARD:



Mr J J Mansfield - Secretary

Date:

18/11/15

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2015**

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2015.

DIVIDENDS

The total distribution of dividends for the period ended 30 June 2015 will be £1,526,784.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

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

Mr I L Mollard
Mr S Atherton
Mr G K Mollard
Mrs S L Roldaan
Mr A R Laing
Mr I M Holland

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;
- 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.

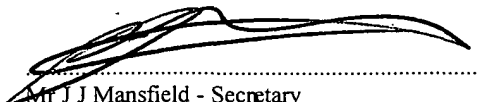
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Livesey Spottiswood Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr J J Mansfield - Secretary

Date: 18/1/15

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
A & M ENERGY SOLUTIONS LIMITED**

We have audited the financial statements of A & M Energy Solutions Limited for the year ended 30 June 2015 on pages five to eighteen. 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 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 shareholders 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 three, 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 30 June 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.

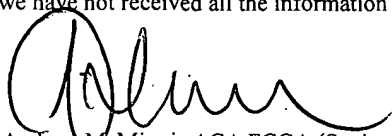
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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.

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.



Mr Andrew McMinnis ACA FCCA (Senior Statutory Auditor)
for and on behalf of Livesey Spottiswood Ltd
Chartered Accountants and
Statutory Auditors
17 George Street
St Helens
Merseyside
WA10 1DB

Date: 18/11/15

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2015**

	Notes	2015 £	2014 £
TURNOVER		19,035,583	28,105,539
Cost of sales		(11,501,902)	(16,231,296)
GROSS PROFIT		7,533,681	11,874,243
Distribution costs		(709,847)	(1,047,895)
Administrative expenses		(5,127,198)	(6,659,210)
		1,696,636	4,167,138
Other operating income		-	4,500
OPERATING PROFIT	3	1,696,636	4,171,638
Interest receivable and similar income		-9,431	1,627
		1,706,067	4,173,265
Interest payable and similar charges	4	(368)	(373)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,705,699	4,172,892
Tax on profit on ordinary activities	5	(353,095)	(932,502)
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		1,352,604	3,240,390

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 profits for the current year or previous year.

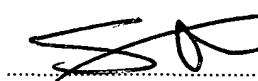
CONSOLIDATED BALANCE SHEET
30 JUNE 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	881,547	1,163,525
Investments	10	-	-
		<u>881,547</u>	<u>1,163,525</u>
CURRENT ASSETS			
Stocks	11	122,141	116,922
Debtors	12	5,355,426	5,317,682
Cash at bank		2,608,954	3,028,136
		<u>8,086,521</u>	<u>8,462,740</u>
CREDITORS			
Amounts falling due within one year	13	2,079,876	2,581,637
NET CURRENT ASSETS		<u>6,006,645</u>	<u>5,881,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,888,192</u>	<u>7,044,628</u>
PROVISIONS FOR LIABILITIES	16	59,197	41,453
NET ASSETS		<u><u>6,828,995</u></u>	<u><u>7,003,175</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	100	100
Profit and loss account	18	6,828,895	7,003,075
SHAREHOLDERS' FUNDS	21	<u><u>6,828,995</u></u>	<u><u>7,003,175</u></u>

The financial statements were approved by the Board of Directors on 18/11/15 and were signed on its behalf by:



 Mr I L Mollard - Director



 Mr S Atherton - Director

The notes form part of these financial statements

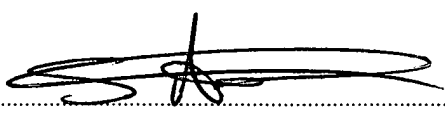
COMPANY BALANCE SHEET
30 JUNE 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	8	-	-
Tangible assets	9	881,547	1,163,525
Investments	10	201	201
		<u>881,748</u>	<u>1,163,726</u>
CURRENT ASSETS			
Stocks	11	122,141	116,922
Debtors	12	5,355,426	5,329,029
Cash at bank		2,608,954	3,016,589
		<u>8,086,521</u>	<u>8,462,540</u>
CREDITORS			
Amounts falling due within one year	13	2,079,791	2,581,352
NET CURRENT ASSETS		<u>6,006,730</u>	<u>5,881,188</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,888,478</u>	<u>7,044,914</u>
PROVISIONS FOR LIABILITIES	16	59,197	41,453
NET ASSETS		<u><u>6,829,281</u></u>	<u><u>7,003,461</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	100	100
Profit and loss account	18	6,829,181	7,003,361
SHAREHOLDERS' FUNDS	21	<u><u>6,829,281</u></u>	<u><u>7,003,461</u></u>

The financial statements were approved by the Board of Directors on 18/11/15 and were signed on its behalf by:



 Mr I L Mollard - Director



 Mr S Atherton - Director

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

		2015	2014
	Notes	£	£
Net cash inflow from operating activities	1	1,996,752	4,859,396
Returns on investments and servicing of finance	2	9,063	1,254
Taxation		(583,019)	(1,115,096)
Capital expenditure	2	(131,042)	(253,340)
Equity dividends paid		(1,526,784)	(1,266,969)
		(235,030)	2,225,245
Financing	2	(184,152)	(109,432)
(Decrease)/increase in cash in the period		(419,182)	2,115,813
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		(419,182)	2,115,813
Cash outflow from decrease in debt and lease financing		184,152	109,432
Change in net funds resulting from cash flows		(235,030)	2,225,245
Movement in net funds in the period		(235,030)	2,225,245
Net funds at 1 July		2,843,984	618,739
Net funds at 30 June		2,608,954	2,843,984

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

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

	2015 £	2014 £
Operating profit	1,696,636	4,171,638
Depreciation charges	392,522	607,142
Loss/(profit) on disposal of fixed assets	20,498	(12,717)
(Increase)/decrease in stocks	(5,219)	36,449
(Increase)/decrease in debtors	(37,744)	515,680
Decrease in creditors	(69,941)	(458,796)
Net cash inflow from operating activities	<u><u>1,996,752</u></u>	<u><u>4,859,396</u></u>

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

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	9,431	1,627
Interest paid	(368)	(373)
Net cash inflow for returns on investments and servicing of finance	<u><u>9,063</u></u>	<u><u>1,254</u></u>
Capital expenditure		
Purchase of tangible fixed assets	(387,190)	(381,158)
Sale of tangible fixed assets	256,148	127,818
Net cash outflow for capital expenditure	<u><u>(131,042)</u></u>	<u><u>(253,340)</u></u>
Financing		
Capital repayments in year	(184,152)	(109,432)
Net cash outflow from financing	<u><u>(184,152)</u></u>	<u><u>(109,432)</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/14 £	Cash flow £	At 30/6/15 £
Net cash:			
Cash at bank	3,028,136	(419,182)	2,608,954
	<u>3,028,136</u>	<u>(419,182)</u>	<u>2,608,954</u>
Debt:			
Hire purchase	(184,152)	184,152	-
	<u>(184,152)</u>	<u>184,152</u>	<u>-</u>
Total	<u><u>2,843,984</u></u>	<u><u>(235,030)</u></u>	<u><u>2,608,954</u></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1. ACCOUNTING POLICIES**Accounting convention**

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

Basis of consolidation

The consolidated financial statements comprise the accounts of A & M Energy Solutions Limited and its subsidiary undertakings made up to 30 June 2015.

Turnover

Turnover represents work done, excluding value added tax.

Goodwill

Goodwill is written off over its estimated useful life of 6 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- Over the term of the lease
Plant and machinery	- Straight line over 5 years
Office equipment and computers	- Straight line over 3 years
Motor vehicles	- Straight line over 5 years

During the previous year, the group changed its accounting policy in respect of depreciation on plant and machinery, office equipment and computers and motor vehicles as, in the opinion of the directors, the new policy better reflects the economic consumption by the group.

The change in accounting policy resulted in an additional £173,943 being charged as depreciation in the previous year.

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.

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.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	5,562,959	7,827,710
Social security costs	614,291	813,759
Other pension costs	31,048	-
	<u>6,208,298</u>	<u>8,641,469</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

2. STAFF COSTS - continued

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

	2015	2014
Administration	83	103
Direct	88	136
	<u>171</u>	<u>239</u>

3. OPERATING PROFIT

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

	2015	2014
	£	£
Other operating leases	211,060	267,672
Depreciation - owned assets	392,522	533,195
Depreciation - assets on hire purchase contracts	-	73,947
Loss/(profit) on disposal of fixed assets	20,498	(12,717)
Auditors' remuneration	16,500	17,250
Auditors' remuneration for non audit work	12,966	10,775
	<u>669,948</u>	<u>885,219</u>
Directors' remuneration	<u>669,948</u>	<u>885,219</u>

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

Money purchase schemes	<u>5</u>	<u>5</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2015	2014
	£	£
Emoluments etc	<u>157,136</u>	<u>251,205</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Bank interest	-	2
Corporation tax interest	368	371
	<u>368</u>	<u>373</u>

5. 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	335,300	951,000
Prior periods	51	488
Total current tax	335,351	951,488
Deferred tax	17,744	(18,986)
Tax on profit on ordinary activities	<u>353,095</u>	<u>932,502</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

5. TAXATION - continued**Factors affecting the tax charge**

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>1,705,699</u>	<u>4,172,892</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	358,197	959,765
Effects of:		
Expenses not deductible for tax purposes	3,208	5,863
Capital allowances in excess of depreciation	(22,062)	-
Depreciation in excess of capital allowances	-	6,498
Adjustments to tax charge in respect of previous periods	51	488
Changes in tax rates	(4,029)	(21,075)
Rounding	<u>(14)</u>	<u>(51)</u>
Current tax charge	<u>335,351</u>	<u>951,488</u>

6. 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 £1,352,604 (2014 - £3,971,668).

7. DIVIDENDS

	2015 £	2014 £
Ordinary shares of £1 each		
Dividends paid	<u>1,526,784</u>	<u>1,266,969</u>

8. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £
COST	
At 1 July 2014 and 30 June 2015	<u>146,378</u>
AMORTISATION	
At 1 July 2014 and 30 June 2015	<u>146,378</u>
NET BOOK VALUE	
At 30 June 2015	<u>-</u>
At 30 June 2014	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

9. TANGIBLE FIXED ASSETS**Group**

	Improvements to property £	Plant and machinery £	Office equipment and computers £	Motor vehicles £	Totals £
COST					
At 1 July 2014	161,734	761,518	246,446	1,810,425	2,980,123
Additions	-	35,945	13,820	337,425	387,190
Disposals	-	(39,421)	-	(629,640)	(669,061)
At 30 June 2015	161,734	758,042	260,266	1,518,210	2,698,252
DEPRECIATION					
At 1 July 2014	156,967	622,116	190,291	847,224	1,816,598
Charge for year	4,767	56,515	32,319	298,921	392,522
Eliminated on disposal	-	(36,730)	-	(355,685)	(392,415)
At 30 June 2015	161,734	641,901	222,610	790,460	1,816,705
NET BOOK VALUE					
At 30 June 2015	-	116,141	37,656	727,750	881,547
At 30 June 2014	4,767	139,402	56,155	963,201	1,163,525

Included within the cost of motor vehicles are assets held under hire purchase contracts or finance leases amounting to £Nil (2014 - £447,000). Accumulated depreciation on these assets amounts to £Nil (2014 - £219,582).

Company

	Improvements to property £	Plant and machinery £	Office equipment and computers £	Motor vehicles £	Totals £
COST					
At 1 July 2014	161,734	738,250	246,446	1,772,715	2,919,145
Additions	-	35,945	13,820	337,425	387,190
Disposals	-	(39,421)	-	(629,640)	(669,061)
At 30 June 2015	161,734	734,774	260,266	1,480,500	2,637,274
DEPRECIATION					
At 1 July 2014	156,967	598,848	190,291	809,514	1,755,620
Charge for year	4,767	56,515	32,319	298,921	392,522
Eliminated on disposal	-	(36,730)	-	(355,685)	(392,415)
At 30 June 2015	161,734	618,633	222,610	752,750	1,755,727
NET BOOK VALUE					
At 30 June 2015	-	116,141	37,656	727,750	881,547
At 30 June 2014	4,767	139,402	56,155	963,201	1,163,525

Included within the cost of motor vehicles are assets held under hire purchase contracts or finance leases amounting to £Nil (2014 - £447,000). Accumulated depreciation on these assets amounts to £Nil (2014 - £219,582).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

10. FIXED ASSET INVESTMENTS

Company

Shares in
group
undertakings
£

COST

At 1 July 2014
and 30 June 2015

201

NET BOOK VALUE

At 30 June 2015

201

At 30 June 2014

201

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

Subsidiaries

Homewarm Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		

2015

2014

£

£

Aggregate capital and reserves

100

100

Brand New Company 1111 Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		

2015

2014

£

£

Aggregate capital and reserves

100

100

Brand New Company 1111 Limited changed its name from A & M Insulations Limited on 1 July 2015.

Bartons (Heating Contracts) Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		

2015

2014

£

£

Aggregate capital and reserves

(555,349)

(555,349)

Bartons (Heating Contracts) Limited applied to be struck off on 16 September 2015.

11. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Insulation stocks and consumables	122,141	116,922	122,141	116,922

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	4,829,231	4,886,949	4,829,231	4,886,949
Other debtors	337,244	149,855	337,244	149,854
Amounts due from group companies	-	-	-	11,348
Prepayments and accrued income	188,951	280,878	188,951	280,878
	<u>5,355,426</u>	<u>5,317,682</u>	<u>5,355,426</u>	<u>5,329,029</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Hire purchase contracts (see note 14)	-	184,152	-	184,152
Trade creditors	1,442,848	1,067,899	1,442,848	1,067,899
Corporation tax	154,701	402,369	154,701	402,369
Social security and other taxes	128,660	479,392	128,375	479,107
Other creditors	3,658	6,439	3,658	6,439
Amounts due to group companies	-	-	200	-
Accruals and deferred income	350,009	441,386	350,009	441,386
	<u>2,079,876</u>	<u>2,581,637</u>	<u>2,079,791</u>	<u>2,581,352</u>

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**Group**

	Hire purchase contracts	
	2015	2014
	£	£
Net obligations repayable:		
Within one year	<u>-</u>	<u>184,152</u>

Company

	Hire purchase contracts	
	2015	2014
	£	£
Net obligations repayable:		
Within one year	<u>-</u>	<u>184,152</u>

The following operating lease payments are committed to be paid within one year:

Group

	Land and buildings		Other operating leases	
	2015	2014	2015	2014
	£	£	£	£
Expiring:				
Within one year	-	42,896	66	4,840
Between one and five years	106,600	34,250	39,147	15,507
In more than five years	20,000	-	-	-
	<u>126,600</u>	<u>77,146</u>	<u>39,213</u>	<u>20,347</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

Company	Land and buildings		Other operating leases	
	2015	2014	2015	2014
	£	£	£	£
Expiring:				
Within one year	-	42,896	66	4,840
Between one and five years	106,600	34,250	39,147	15,507
In more than five years	20,000	-	-	-
	<u>126,600</u>	<u>77,146</u>	<u>39,213</u>	<u>20,347</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Hire purchase contracts	<u>-</u>	<u>184,152</u>	<u>-</u>	<u>184,152</u>

The hire purchase and finance lease contracts are secured against the assets to which they relate.

16. PROVISIONS FOR LIABILITIES

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Deferred tax	<u>59,197</u>	<u>41,453</u>	<u>59,197</u>	<u>41,453</u>

Group

	Deferred tax
	£
Balance at 1 July 2014	41,453
Movement in year	<u>17,744</u>
Balance at 30 June 2015	<u>59,197</u>

Company

	Deferred tax
	£
Balance at 1 July 2014	41,453
Movement in year	<u>17,744</u>
Balance at 30 June 2015	<u>59,197</u>

Deferred tax is solely in respect of accelerated capital allowances.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2015	2014
Number:	Class:			
		£1	£	£
100	Ordinary		<u>100</u>	<u>100</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

18. RESERVES**Group**

	Profit and loss account £
At 1 July 2014	7,003,075
Profit for the year	1,352,604
Dividends	(1,526,784)
At 30 June 2015	<u>6,828,895</u>

Company

	Profit and loss account £
At 1 July 2014	7,003,361
Profit for the year	1,352,604
Dividends	(1,526,784)
At 30 June 2015	<u>6,829,181</u>

19. RELATED PARTY DISCLOSURES

The group rents one of its premises from Mr S Atherton, Mrs S L Roldaan (both directors of the company), and Mrs S Mollard. During the year the group paid rent amounting to £55,000 (2014 - £55,000). Mr S Atherton received £13,750 (2014 - £13,750), Mrs S L Roldaan received £13,750 (2014 - £13,750) and Mrs S Mollard received £27,500 (2014 - £27,500).

Another of the premises from which the group trades is rented from Mrs M J Laing, the wife of the director Mr A R Laing. During the year, the group paid rent amounting to £18,000 (2014 - £18,000) to Mrs M J Laing.

Also during the year, the group sold goods amounting to £2,501 (2014 - £Nil) to the director Mr S Atherton, normal commercial terms applied.

20. POST BALANCE SHEET EVENTS

On 1 July 2015, the company became a wholly owned subsidiary of A & M Energy Group Limited following a group reorganisation.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**Group**

	2015 £	2014 £
Profit for the financial year	1,352,604	3,240,390
Dividends	(1,526,784)	(1,266,969)
Net (reduction)/addition to shareholders' funds	<u>(174,180)</u>	<u>1,973,421</u>
Opening shareholders' funds	7,003,175	5,029,754
Closing shareholders' funds	<u>6,828,995</u>	<u>7,003,175</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2015

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued**Company**

	2015 £	2014 £
Profit for the financial year	1,352,604	3,971,668
Dividends	<u>(1,526,784)</u>	<u>(1,266,969)</u>
Net (reduction)/addition to shareholders' funds	(174,180)	2,704,699
Opening shareholders' funds	<u>7,003,461</u>	<u>4,298,762</u>
Closing shareholders' funds	<u>6,829,281</u>	<u>7,003,461</u>