

REGISTERED NUMBER: 01890135 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
DAVID BALL GROUP LIMITED
PREVIOUSLY KNOWN AS DAVID BALL GROUP PUBLIC LIMITED COMPANY**



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for the Year Ended 31 December 2014**

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DAVID BALL GROUP LIMITED
COMPANY INFORMATION
for the Year Ended 31 December 2014

DIRECTORS:

D M J Ball
Ms J B M M Ball
D J Kahn
S Evans
W B Kendall
E P Boyle

SECRETARY:

Secretarial Appointments Limited

REGISTERED OFFICE:

Wellington Way
Bourn Airfield
Cambridge
Cambridgeshire
CB23 2TQ

REGISTERED NUMBER:

01890135 (England and Wales)

AUDITORS:

ECL Howard Watson Smith LLP
Chartered Accountants
& Statutory Auditors
ECL House
Lake Street
Leighton Buzzard
Bedfordshire
LU7 1RT

**GROUP STRATEGIC REPORT
for the Year Ended 31 December 2014**

The directors present their strategic report of the company and the group for the year ended 31 December 2014.

REVIEW OF THE BUSINESS

This year has seen a continuation of the growth in group revenues, up 14% on 2013 whilst maintaining margins and producing profits.

2014 continued as in the previous three years with a substantial ongoing commitment to the research and development programme of Cemfree concrete and third-generation Pudlo, coupled with the redevelopment of the site at Bourn which is now largely complete.

A new subsidiary, Pudlo Middle East, has been established and began trading successfully in 2014.

Discussions on the involvement of a new major investor were well under way by the end of 2014 and these came to fruition early in 2015. The directors are confident that this new investment will enable the group to fully exploit the potential of Cemfree.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities are entirely within the construction and civil engineering industry. The company's products are sold to a large number of customers through both direct and indirect channels. The relative upturn in the construction industry continues to offset the potential risk of loss of any major customer, and the directors are confident that, in the light of the company's growth trend, any lost sales would soon be replaced.

In the UK the company provides a warranty for goods supplied in respect of its main product range, but manages this risk by applying strict quality control conditions with which the customer must comply if the warranty is to be valid. Where it is practicable and cost-effective to do so, the company insures against normal commercial risks, notably in the areas of public liability and employer's liability.

The risks to which the company is exposed are continually monitored by the directors, and steps are taken to mitigate and manage those risks where it is considered reasonable and practicable to do so.

KEY PERFORMANCE INDICATORS

Turnover:

2014: £4.7 million

2013: £4.2 million

Pre-tax profit:

2014: £173,013

2013: £188,513

GROUP STRATEGIC REPORT
for the Year Ended 31 December 2014

SOCIAL RESPONSIBILITY

We recognise that our social, environmental and ethical conduct has an impact on our reputation. We therefore take our corporate social responsibilities ("CSR") seriously and are committed to advancing our policies and systems to ensure we address and monitor all aspects of CSR that are relevant to our business.

These include good ethical behaviour, concern for employee health and safety, care for the environment and community involvement.

As a group driven largely by technological innovation, our main assets are the talents and skills of the people we employ. David Ball Group is its employees. So, the group aims to find, keep and engage the highest calibre of employees, and encourages their contribution and development. The Board also ensures that the activities of the group minimise any environmental risk.

David Ball Group actively supports the particular needs of our community by contributing to local charities and participating in community initiatives. Support takes the form of employee time and skills, gifts in kind and cash donations.

ON BEHALF OF THE BOARD:



.....
D M J Ball - Director

Date: 20/7/15

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2014**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2014.

CHANGE OF NAME

On 16 February 2015 David Ball Group PLC re-registered as a private company and as a consequence of this the company's name was changed to David Ball Group Limited.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

RESEARCH AND DEVELOPMENT

The group is committed to a programme of research and development activities to develop the next generation of products for the group to manufacture.

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 January 2014 to the date of this report.

D M J Ball

Ms J B M M Ball

D J Kahn

Other changes in directors holding office are as follows:

S Evans , W B Kendall and E P Boyle were appointed as directors after 31 December 2014 but prior to the date of this report.

O L Minett , H R Purser and C Howard ceased to be directors after 31 December 2014 but prior to the date of this report.

LAND AND BUILDINGS

It is the opinion of the directors that the market value of the freehold premises is not materially different to their carrying value in the financial statements.

STRATEGIC REPORT

Items required under Schedule 7 regarding the future developments of the company have been disclosed in the strategic report in accordance with Section 414C(AA) of the Companies Act 2006.

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.

REPORT OF THE DIRECTORS
for the Year Ended 31 December 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

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.

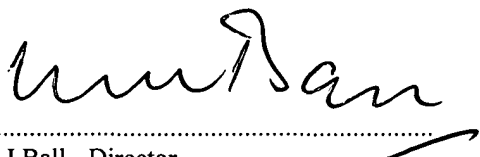
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

ECL Howard Watson Smith LLP has indicated its willingness to continue in office and will be proposed for re-appointment in accordance with Section 485 Companies Act 2006.

ON BEHALF OF THE BOARD:



.....
D M J Ball - Director

Date: 20/7/15

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DAVID BALL GROUP LIMITED

We have audited the financial statements of David Ball Group Limited for the year ended 31 December 2014 on pages eight to thirty one. 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 pages four and five, 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 December 2014 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DAVID BALL GROUP LIMITED**

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.

ECL Howard Watson Smith LLP

Martin Wright FCA MAE (Senior Statutory Auditor)
for and on behalf of ECL Howard Watson Smith LLP
Chartered Accountants
& Statutory Auditors
ECL House
Lake Street
Leighton Buzzard
Bedfordshire
LU7 1RT

Date: *20 July 2015*

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the Year Ended 31 December 2014

	Notes	31.12.14 £	31.12.13 £
TURNOVER	2	4,701,236	4,196,225
Cost of sales		<u>1,063,312</u>	<u>1,223,059</u>
GROSS PROFIT		3,637,924	2,973,166
Administrative expenses		<u>3,249,898</u>	<u>2,597,509</u>
		388,026	375,657
Other operating income		<u>-</u>	<u>30,183</u>
OPERATING PROFIT	4	388,026	405,840
Interest receivable and similar income		<u>-</u>	<u>111</u>
		388,026	405,951
Interest payable and similar charges	5	<u>215,013</u>	<u>217,438</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		173,013	188,513
Tax on profit on ordinary activities	6	<u>(12,445)</u>	<u>(54,956)</u>
PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>185,458</u>	<u>243,469</u>

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
31 December 2014

	Notes	31.12.14 £	31.12.13 £
FIXED ASSETS			
Intangible assets	8	142,391	150,165
Tangible assets	9	2,460,032	2,581,854
Investments	10	-	-
		<u>2,602,423</u>	<u>2,732,019</u>
CURRENT ASSETS			
Stocks	11	599,857	214,579
Debtors	12	1,684,778	1,134,315
Cash at bank and in hand		28,196	23,508
		<u>2,312,831</u>	<u>1,372,402</u>
CREDITORS			
Amounts falling due within one year	13	<u>1,375,797</u>	<u>684,322</u>
NET CURRENT ASSETS		<u>937,034</u>	<u>688,080</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,539,457</u>	<u>3,420,099</u>
CREDITORS			
Amounts falling due after more than one year	14	(2,649,356)	(2,713,591)
PROVISIONS FOR LIABILITIES	18	-	(1,865)
NET ASSETS		<u>890,101</u>	<u>704,643</u>
CAPITAL AND RESERVES			
Called up share capital	19	137,995	137,995
Share premium	20	358,592	358,592
Profit and loss account	20	393,514	208,056
SHAREHOLDERS' FUNDS	25	<u>890,101</u>	<u>704,643</u>

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

20th July 2015

and were signed on



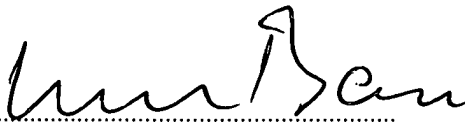
D M J Ball - Director

COMPANY BALANCE SHEET
31 December 2014

	Notes	31.12.14 £	31.12.13 £
FIXED ASSETS			
Intangible assets	8	142,391	150,165
Tangible assets	9	2,458,604	2,581,854
Investments	10	50,100	100
		<u>2,651,095</u>	<u>2,732,119</u>
CURRENT ASSETS			
Stocks	11	352,201	198,533
Debtors	12	1,950,748	1,182,112
Cash at bank and in hand		139	23,508
		<u>2,303,088</u>	<u>1,404,153</u>
CREDITORS			
Amounts falling due within one year	13	1,351,514	690,262
NET CURRENT ASSETS		<u>951,574</u>	<u>713,891</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,602,669	3,446,010
CREDITORS			
Amounts falling due after more than one year	14	(2,649,356)	(2,713,591)
PROVISIONS FOR LIABILITIES	18	-	(1,865)
NET ASSETS		<u>953,313</u>	<u>730,554</u>
CAPITAL AND RESERVES			
Called up share capital	19	137,995	137,995
Share premium	20	358,592	358,592
Profit and loss account	20	456,726	233,967
SHAREHOLDERS' FUNDS	25	<u>953,313</u>	<u>730,554</u>

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

20th July 2015 and were signed on



 D M J Ball - Director

CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

	Notes	31.12.14 £	£	31.12.13 £	£
Net cash inflow from operating activities	1		370,738		448,632
Returns on investments and servicing of finance	2		(215,013)		(217,327)
Taxation			(8,220)		81,877
Capital expenditure	2		(105,711)		(233,386)
			41,794		79,796
Financing	2		(67,914)		(106,694)
Decrease in cash in the period			<u>(26,120)</u>		<u>(26,898)</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Decrease in cash in the period		(26,120)		(26,898)	
Cash outflow from decrease in debt and lease financing		<u>62,676</u>		<u>121,997</u>	
Change in net debt resulting from cash flows			<u>36,556</u>		<u>95,099</u>
Movement in net debt in the period			<u>36,556</u>		<u>95,099</u>
Net debt at 1 January			<u>(2,757,219)</u>		<u>(2,852,318)</u>
Net debt at 31 December			<u><u>(2,720,663)</u></u>		<u><u>(2,757,219)</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

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

	31.12.14	31.12.13
	£	£
Operating profit	388,026	405,840
Depreciation charges	230,671	226,573
Loss on disposal of fixed assets	4,636	9,011
(Increase)/decrease in stocks	(385,278)	14,017
Increase in debtors	(529,233)	(370,371)
Increase in creditors	661,916	163,562
Net cash inflow from operating activities	370,738	448,632

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

	31.12.14	31.12.13
	£	£
Returns on investments and servicing of finance		
Interest received	-	111
Interest paid	(210,060)	(210,855)
Interest element of hire purchase payments	(4,953)	(6,583)
Net cash outflow for returns on investments and servicing of finance	(215,013)	(217,327)
Capital expenditure		
Purchase of intangible fixed assets	(14,318)	(40,564)
Purchase of tangible fixed assets	(120,143)	(228,787)
Sale of tangible fixed assets	28,750	35,965
Net cash outflow for capital expenditure	(105,711)	(233,386)
Financing		
Mortgage repayments in year	(43,427)	(41,360)
Capital repayments in year	(19,249)	(80,637)
Amount introduced by directors	11,871	48,000
Amount withdrawn by directors	(17,109)	(32,697)
Net cash outflow from financing	(67,914)	(106,694)

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the Year Ended 31 December 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.14 £	Cash flow £	At 31.12.14 £
Net cash:			
Cash at bank and in hand	23,508	4,688	28,196
Bank overdraft	-	(30,808)	(30,808)
	<u>23,508</u>	<u>(26,120)</u>	<u>(2,612)</u>
Debt:			
Hire purchase	(68,166)	19,249	(48,917)
Debts falling due within one year	(41,322)	(2,067)	(43,389)
Debts falling due after one year	<u>(2,671,239)</u>	<u>45,494</u>	<u>(2,625,745)</u>
	<u>(2,780,727)</u>	<u>62,676</u>	<u>(2,718,051)</u>
Total	<u>(2,757,219)</u>	<u>36,556</u>	<u>(2,720,663)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The group accounts consolidate those of the company and of its subsidiaries. The accounts of each company in the group have been prepared to 31 December 2014. All intra-group profits and transactions are eliminated on consolidation. The accounts of David Ball Asia Pte Limited are not consolidated in the group accounts as they are considered to be immaterial.

Turnover

The group's turnover represents the value, excluding value added tax and trade discounts, of goods and services supplied to customers during the year.

Trademarks

Trademarks are amortised in equal annual instalments over their estimated economic life of 10 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.

Freehold property	- 2% on cost
Short leasehold	- 10% on cost
Plant and machinery	- 15% on cost
Fixtures and fittings	- 33% on cost
Motor vehicles	- 20% to 33% on cost
Computer equipment	- 50% on cost

No depreciation is provided on freehold land.

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are only recognised to the extent that they are likely to be realised.

Research and development

Expenditure on research and development is amortised over 5 years where the directors are satisfied as to the technical, commercial and financial viability of individual projects. Otherwise the development expenditure is charged to the profit and loss account in the year it is incurred.

Foreign currencies

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

1. ACCOUNTING POLICIES - continued

Pensions

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	31.12.14	31.12.13
	£	£
United Kingdom	4,097,434	3,862,874
European Community	43,484	16,392
Other	560,318	316,959
	<u>4,701,236</u>	<u>4,196,225</u>

3. STAFF COSTS

	31.12.14	31.12.13
	£	£
Wages and salaries	1,550,611	1,163,584
Social security costs	143,318	113,550
Other pension costs	68,701	51,773
	<u>1,762,630</u>	<u>1,328,907</u>

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

	31.12.14	31.12.13
Directors	6	6
Administration	32	29
Manufacturing	12	6
	<u>50</u>	<u>41</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.14	31.12.13
	£	£
Other operating leases	89,642	40,000
Depreciation - owned assets	172,691	159,539
Depreciation - assets on hire purchase contracts	25,855	46,629
Loss on disposal of fixed assets	4,636	9,011
Patents and licences amortisation	22,092	20,405
Auditors' remuneration	20,000	14,000
Auditors' remuneration for audit of subsidiary	5,000	-
Auditors' remuneration for non-audit services	21,122	6,000
Foreign exchange differences	1,245	-
Development costs	197,846	187,945
Leased motor vehicles	73,511	50,144
Leased computer equipment	1,022	85
	<u>330,576</u>	<u>326,599</u>
Directors' remuneration	330,576	326,599
Directors' pension contributions to money purchase schemes	17,936	12,329
	<u>17,936</u>	<u>12,329</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director is as follows:

	31.12.14	31.12.13
	£	£
Emoluments etc	147,280	158,717
Pension contributions to money purchase schemes	12,000	12,658
	<u>147,280</u>	<u>158,717</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	31.12.14	31.12.13
	£	£
Bank interest	963	558
Other interest paid	209,097	210,117
VAT surcharges and interest	-	180
Hire purchase	4,953	6,583
	<u>215,013</u>	<u>217,438</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

6. TAXATION

Analysis of the tax credit

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

	31.12.14 £	31.12.13 £
Current tax:		
UK corporation tax	(3,250)	1,308
Losses from previous years surrendered for cash	-	(58,129)
Underprovision for earlier years	1,942	-
Total current tax	(1,308)	(56,821)
Deferred tax	(11,137)	1,865
Tax on profit on ordinary activities	<u>(12,445)</u>	<u>(54,956)</u>

Factors affecting the tax credit

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

	31.12.14 £	31.12.13 £
Profit on ordinary activities before tax	<u>173,013</u>	<u>188,513</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 20%)	34,603	37,703
Effects of:		
Expenses not deductible for tax purposes	22,052	20,995
Income not taxable for tax purposes	(3,117)	-
Capital allowances in excess of depreciation	(2,521)	(1,150)
Adjustments to tax charge in respect of previous periods	1,942	-
Research and development tax credit	(71,171)	(56,240)
Losses carried forward	16,904	-
Losses surrendered for cash	-	(58,129)
Current tax credit	<u>(1,308)</u>	<u>(56,821)</u>

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 £222,759 (2013 - £269,380).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

8. INTANGIBLE FIXED ASSETS

Group

	Patents and licences £	Development costs £	Totals £
COST			
At 1 January 2014	255,568	40,194	295,762
Additions	14,318	-	14,318
At 31 December 2014	269,886	40,194	310,080
AMORTISATION			
At 1 January 2014	105,403	40,194	145,597
Amortisation for year	22,092	-	22,092
At 31 December 2014	127,495	40,194	167,689
NET BOOK VALUE			
At 31 December 2014	142,391	-	142,391
At 31 December 2013	150,165	-	150,165

Company

	Patents and licences £	Development costs £	Totals £
COST			
At 1 January 2014	255,568	40,194	295,762
Additions	14,318	-	14,318
At 31 December 2014	269,886	40,194	310,080
AMORTISATION			
At 1 January 2014	105,403	40,194	145,597
Amortisation for year	22,092	-	22,092
At 31 December 2014	127,495	40,194	167,689
NET BOOK VALUE			
At 31 December 2014	142,391	-	142,391
At 31 December 2013	150,165	-	150,165

Trademarks are written off in equal instalments over their estimated useful life of 10 years.

Development costs are written off in equal instalments over their estimated useful life of 5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

9. TANGIBLE FIXED ASSETS

Group	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 January 2014	2,224,019	77,823	897,126
Additions	9,628	-	18,912
At 31 December 2014	2,233,647	77,823	916,038
DEPRECIATION			
At 1 January 2014	76,914	64,688	642,717
Charge for year	39,183	3,102	63,139
Eliminated on disposal	-	-	-
Impairments	-	10,033	-
At 31 December 2014	116,097	77,823	705,856
NET BOOK VALUE			
At 31 December 2014	2,117,550	-	210,182
At 31 December 2013	2,147,105	13,135	254,409

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2014	159,857	218,356	96,811	3,673,992
Additions	65,357	16,001	10,245	120,143
Disposals	-	(97,801)	-	(97,801)
At 31 December 2014	225,214	136,556	107,056	3,696,334
DEPRECIATION				
At 1 January 2014	112,480	106,328	89,011	1,092,138
Charge for year	55,293	28,582	9,247	198,546
Eliminated on disposal	-	(64,415)	-	(64,415)
Impairments	-	-	-	10,033
At 31 December 2014	167,773	70,495	98,258	1,236,302
NET BOOK VALUE				
At 31 December 2014	57,441	66,061	8,798	2,460,032
At 31 December 2013	47,377	112,028	7,800	2,581,854

Included within freehold property is land which has a cost of £300,000 and is not depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

9. TANGIBLE FIXED ASSETS - continued

Group

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

	Motor vehicles £
COST	
At 1 January 2014	131,625
Additions	16,001
Disposals	(31,054)
At 31 December 2014	116,572
DEPRECIATION	
At 1 January 2014	45,915
Charge for year	25,855
Eliminated on disposal	(19,668)
At 31 December 2014	52,102
NET BOOK VALUE	
At 31 December 2014	64,470
At 31 December 2013	85,710

Company

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 January 2014	2,224,019	77,823	897,126
Additions	9,628	-	17,347
At 31 December 2014	2,233,647	77,823	914,473
DEPRECIATION			
At 1 January 2014	76,914	64,688	642,717
Charge for year	39,183	3,102	63,002
Eliminated on disposal	-	-	-
Impairments	-	10,033	-
At 31 December 2014	116,097	77,823	705,719
NET BOOK VALUE			
At 31 December 2014	2,117,550	-	208,754
At 31 December 2013	2,147,105	13,135	254,409

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

9. TANGIBLE FIXED ASSETS - continued

Company

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2014	159,857	218,356	96,811	3,673,992
Additions	65,357	16,001	10,245	118,578
Disposals	-	(97,801)	-	(97,801)
At 31 December 2014	225,214	136,556	107,056	3,694,769
DEPRECIATION				
At 1 January 2014	112,480	106,328	89,011	1,092,138
Charge for year	55,293	28,582	9,247	198,409
Eliminated on disposal	-	(64,415)	-	(64,415)
Impairments	-	-	-	10,033
At 31 December 2014	167,773	70,495	98,258	1,236,165
NET BOOK VALUE				
At 31 December 2014	57,441	66,061	8,798	2,458,604
At 31 December 2013	47,377	112,028	7,800	2,581,854

Included within freehold property is land which has a cost of £300,000 and is not depreciated.

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

	Motor vehicles £
COST	
At 1 January 2014	131,625
Additions	16,001
Disposals	(31,054)
At 31 December 2014	116,572
DEPRECIATION	
At 1 January 2014	45,915
Charge for year	25,855
Eliminated on disposal	(19,668)
At 31 December 2014	52,102
NET BOOK VALUE	
At 31 December 2014	64,470
At 31 December 2013	85,710

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 January 2014	130
Additions	50,000
	<hr/>
At 31 December 2014	50,130
	<hr/>
PROVISIONS	
At 1 January 2014 and 31 December 2014	30
	<hr/>
NET BOOK VALUE	
At 31 December 2014	50,100
	<hr/>
At 31 December 2013	100
	<hr/>

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

Subsidiaries

Greencem Limited

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

The capital and reserves of this company totalled £Nil at 31 December 2014 (2013 - £Nil).

Cemfree Limited

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

The capital and reserves of this company totalled £Nil at 31 December 2014 (2013 - £Nil).

Pudlo Limited

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

	31.12.14	31.12.13
	£	£
Aggregate capital and reserves	100	100
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

10. FIXED ASSET INVESTMENTS - continued

David Ball Asia Pte Limited

Country of incorporation: Singapore

Nature of business: Sales agent for David Ball Group Limited

	%
Class of shares:	holding
Ordinary	100.00

This company was set up during 2012. This company has not been consolidated as the directors consider the effect to be immaterial.

M.P.S. Concrete Solutions Limited

Nature of business: Concrete remedial work

	%
Class of shares:	holding
Ordinary	100.00

	31.12.14	31.12.13
	£	£
Aggregate capital and reserves	(78,700)	(25,812)
Loss for the year	(52,888)	(25,912)
	<u> </u>	<u> </u>

This company was incorporated on 30 August 2013 and commenced trading on 1 October 2013.

Pudlo Middle East Building Materials LLC

Country of incorporation: United Arab Emirates

Nature of business: Sale of building materials

	%
Class of shares:	holding
Ordinary	100.00

	31.12.14
	£
Aggregate capital and reserves	65,587
Profit for the year	15,587
	<u> </u>

Pudlo Middle East Building Materials LLC commenced trading in September 2014.

11. STOCKS

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Raw materials	599,857	214,579	352,201	198,533
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

12. DEBTORS

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	543,355	129,860	127,672	130,296
Factored debts outstanding	903,440	871,797	903,440	871,797
Amounts owed by group undertakings	-	-	690,626	47,361
Other debtors	21,193	4,388	12,220	4,388
Directors' current accounts	29,028	28,223	29,028	28,223
Tax	13,209	7,056	13,209	7,056
Deferred tax asset	9,272	-	9,272	-
Prepayments and accrued income	160,281	92,991	160,281	92,991
	<u>1,679,778</u>	<u>1,134,315</u>	<u>1,945,748</u>	<u>1,182,112</u>
Amounts falling due after more than one year:				
Directors' loan accounts	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>
Aggregate amounts	<u>1,684,778</u>	<u>1,134,315</u>	<u>1,950,748</u>	<u>1,182,112</u>

Deferred tax asset

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Deferred tax	<u>9,272</u>	<u>-</u>	<u>9,272</u>	<u>-</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Bank loans and overdrafts (see note 15)	30,808	-	30,808	-
Other loans (see note 15)	43,389	41,322	43,389	41,322
Hire purchase contracts (see note 16)	25,306	25,814	25,306	25,814
Trade creditors	419,406	271,388	407,957	282,239
Tax	4,662	8,037	4,662	8,037
Social security and other taxes	43,229	41,026	43,229	41,026
VAT	101,730	77,945	94,896	74,034
Other creditors	10,179	5,066	10,179	5,066
Amounts received in respect of factored debts	485,346	69,736	485,346	69,736
Directors' current accounts	567	-	567	-
Accruals and deferred income	211,175	143,988	205,175	142,988
	<u>1,375,797</u>	<u>684,322</u>	<u>1,351,514</u>	<u>690,262</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Other loans (see note 15)	2,625,745	2,671,239	2,625,745	2,671,239
Hire purchase contracts (see note 16)	23,611	42,352	23,611	42,352
	<u>2,649,356</u>	<u>2,713,591</u>	<u>2,649,356</u>	<u>2,713,591</u>

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	30,808	-	30,808	-
Other loans	43,389	41,322	43,389	41,322
	<u>74,197</u>	<u>41,322</u>	<u>74,197</u>	<u>41,322</u>
Amounts falling due between one and two years:				
Other loans - 1-2 years	45,455	43,289	45,455	43,289
	<u>45,455</u>	<u>43,289</u>	<u>45,455</u>	<u>43,289</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	149,765	142,629	149,765	142,629
Loan notes	2,000,000	2,000,000	2,000,000	2,000,000
	<u>2,149,765</u>	<u>2,142,629</u>	<u>2,149,765</u>	<u>2,142,629</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans more 5yrs instal	430,525	485,321	430,525	485,321
	<u>430,525</u>	<u>485,321</u>	<u>430,525</u>	<u>485,321</u>

Interest on the mortgage is charged at 4.18% above the HSBC base rate.

Details of the interest rate on the senior unsecured loan notes are given in note 19.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	31.12.14	31.12.13
	£	£
Gross obligations repayable:		
Within one year	28,728	29,277
Between one and five years	27,135	48,200
	<u>55,863</u>	<u>77,477</u>
Finance charges repayable:		
Within one year	3,422	3,463
Between one and five years	3,524	5,848
	<u>6,946</u>	<u>9,311</u>
Net obligations repayable:		
Within one year	25,306	25,814
Between one and five years	23,611	42,352
	<u>48,917</u>	<u>68,166</u>

Company

	Hire purchase contracts	
	31.12.14	31.12.13
	£	£
Gross obligations repayable:		
Within one year	28,728	29,277
Between one and five years	27,135	48,200
	<u>55,863</u>	<u>77,477</u>
Finance charges repayable:		
Within one year	3,422	3,463
Between one and five years	3,524	5,848
	<u>6,946</u>	<u>9,311</u>
Net obligations repayable:		
Within one year	25,306	25,814
Between one and five years	23,611	42,352
	<u>48,917</u>	<u>68,166</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

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

Group	Land and buildings		Other operating leases	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Expiring:				
Within one year	-	-	5,930	7,415
Between one and five years	40,000	40,000	50,165	48,432
	<u>40,000</u>	<u>40,000</u>	<u>56,095</u>	<u>55,847</u>
Company	Land and buildings		Other operating leases	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Expiring:				
Within one year	-	-	5,930	7,415
Between one and five years	40,000	40,000	50,165	48,432
	<u>40,000</u>	<u>40,000</u>	<u>56,095</u>	<u>55,847</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Bank overdraft	30,808	-	30,808	-
Other loans	669,134	712,561	669,134	712,561
Hire purchase contracts	48,917	68,166	48,917	68,166
	<u>748,859</u>	<u>780,727</u>	<u>748,859</u>	<u>780,727</u>

The company's bankers hold a first legal charge over the company's freehold premises and a debenture dated 25 November 2004 over all present freehold and leasehold property, a first fixed charge over book and other debts both present and future and a first floating charge over all assets both present and future.

The amount received in respect of factored debts is due to an invoice discounting facility which is secured on trade debtors.

Hire purchase liabilities are secured against the relevant assets.

18. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.12.14	31.12.13	31.12.14	31.12.13
	£	£	£	£
Deferred tax	-	1,865	-	1,865
	<u>-</u>	<u>1,865</u>	<u>-</u>	<u>1,865</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

18. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 January 2014	1,865
Credit to Profit and Loss Account during year	(11,137)
Balance at 31 December 2014	<u>(9,272)</u>

Company

	Deferred tax £
Balance at 1 January 2014	1,865
Credit to Profit and Loss Account during year	(11,137)
Balance at 31 December 2014	<u>(9,272)</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.14 £	31.12.13 £
98,606	'A' Ordinary shares	£1	98,606	98,606
39,389	'B' Ordinary shares	£1	39,389	39,389
			<u>137,995</u>	<u>137,995</u>

The ordinary 'B' shares are non-voting but rank equally in all other aspects with ordinary 'A' shares of £1 each. If holders of more than one half of the issued ordinary 'A' shares transfer or otherwise dispose of their shares, in accordance with the Articles of the Company, then the rights attaching to the ordinary 'B' shares automatically vary so as to have the same voting rights as the ordinary 'A' shares and shall be re-designated as ordinary 'A' shares.

On 23 July 2013 a resolution was passed to convert 25,236 ordinary 'B' shares into ordinary 'A' shares.

On 1 July 2012 the company issued Senior Unsecured Loan Notes with Warrants, to the value of £2,000,000. These are for a five year term with an early repayment option after year 3 and bear interest at 9% per annum payable quarterly. Noteholders have warrants enabling them to acquire shares in the company on the following terms:

- Warrants will entitle the holder to acquire ordinary shares of up to 20% of the loan note (up to £400,000)
- Exercisable at a 10% premium to the stated share price of £21.88
- Exercisable at any time in the three weeks following the AGM in each year of the loan note only.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

20. RESERVES

Group

	Profit and loss account £	Share premium £	Totals £
At 1 January 2014	208,056	358,592	566,648
Profit for the year	185,458		185,458
At 31 December 2014	<u>393,514</u>	<u>358,592</u>	<u>752,106</u>

Company

	Profit and loss account £	Share premium £	Totals £
At 1 January 2014	233,967	358,592	592,559
Profit for the year	222,759		222,759
At 31 December 2014	<u>456,726</u>	<u>358,592</u>	<u>815,318</u>

21. PENSION COMMITMENTS

Contributions payable by the group for the year amounted to £68,701 (2013 - £51,773).

£22,200 was outstanding at the balance sheet date (2013 - £Nil). These outstanding contributions were paid to the scheme during February 2015.

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 December 2014 and 31 December 2013:

	31.12.14 £	31.12.13 £
D M J Ball		
Balance outstanding at start of year	26,011	40,826
Amounts advanced	12,731	30,485
Amounts repaid	(11,871)	(45,300)
Balance outstanding at end of year	<u>26,871</u>	<u>26,011</u>
O L Minett		
Balance outstanding at start of year	-	-
Amounts advanced	7,157	-
Amounts repaid	-	-
Balance outstanding at end of year	<u>7,157</u>	<u>-</u>

No interest has been charged on these advances.

23. RELATED PARTY DISCLOSURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014

23. RELATED PARTY DISCLOSURES - continued

D J Kahn
Director

During 2012 Mr D J Kahn purchased loan notes amounting to £200,000. Interest payable on these loan notes amounted to £18,000 (2013 - £18,000).

Altro Limited

A company which Mr D J Kahn is a shareholder

During 2012 Altro Limited purchased loan notes amounting to £700,000. Interest payable on these loan notes amounted to £63,000 (2013 - £63,000).

David Ball Asia Pte Limited

A subsidiary not consolidated

During the year the group loaned £3,017 (2013 - £29,646) to David Ball Asia Pte Limited. Full provision has been made against this sum in the financial statements.

	31.12.14	31.12.13
	£	£
Amount due from related party at the balance sheet date	69,605	66,588
Provisions for doubtful debt at the balance sheet date	<u>69,605</u>	<u>66,588</u>

24. POST BALANCE SHEET EVENTS

On 24 February 2015 58,800 new 'C' shares of £1 each were issued and fully paid at a premium of £50.7517 per share.

25. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	31.12.14	31.12.13
	£	£
Profit for the financial year	185,458	243,469
Net addition to shareholders' funds	<u>185,458</u>	<u>243,469</u>
Opening shareholders' funds	704,643	461,174
Closing shareholders' funds	<u>890,101</u>	<u>704,643</u>

Company

	31.12.14	31.12.13
	£	£
Profit for the financial year	222,759	269,380
Net addition to shareholders' funds	<u>222,759</u>	<u>269,380</u>
Opening shareholders' funds	730,554	461,174
Closing shareholders' funds	<u>953,313</u>	<u>730,554</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2014**

26. FACTORED DEBTS

During the year David Ball Group Limited continued to use a debt factoring contract with HSBC.

The gross amount of factored debts at the year end was £903,440 (2013 - £871,797).

The total amount of advances to David Ball Group Limited by HSBC net of total receipts from debtors at the year end was £485,346 (2013 - £69,736).