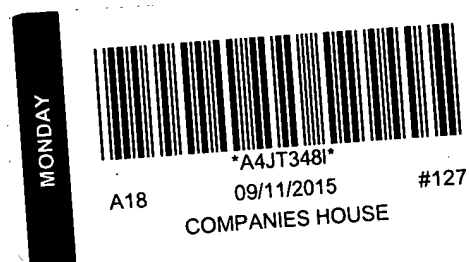


A. & H. CONSTRUCTION AND DEVELOPMENTS PLC

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 30 April 2015

Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX



A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

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A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

**Company Information
for the Year Ended 30 April 2015**

DIRECTORS:

B A Adams
S J Cutler
R J Mottram
M Head

SECRETARY:

Mrs L Smith

REGISTERED OFFICE:

61 Charlotte Street
St. Pauls Square
Birmingham
West Midlands
B3 1PX

REGISTERED NUMBER:

02580900 (England and Wales)

AUDITORS:

Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX

A & H CONSTRUCTION & DEVELOPMENTS PLC

Strategic Report for the Year Ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

REVIEW OF BUSINESS

Financial results

Turnover for the year to 30 April 2015 increased by 19% to £59,828,246 (2014 - £50,417,724), with the gross profit margin decreasing to 8.12% (2014 - 9.32%). The company's profit on ordinary activities before taxation was £2,677,848 (2014 - £2,833,224).

Balance sheet

Net assets have increased from £3,650,344 in 2014 to £4,001,889 in 2015.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors recognise that, alongside the rewards generated by a trading organisation for its stakeholders, there are also risks and uncertainties. The company is dependent upon the efficiency of its employees in satisfying the needs of its customers and in the identification and consequent reduction of contractual risk in the work undertaken. The directors have developed a system of reviews and controls which monitor and deal with such risks.

EMPLOYEES

The company is fortunate to have a dedicated and loyal work force whose continuing support and hard work has once again helped to strengthen the business.

STRATEGIC PRIORITIES

The board and management of A & H Construction & Developments Plc are committed to continue to deliver the reliable, responsible performance which the company has enjoyed over recent years.

OUTLOOK

The company currently has a good order book despite operating in a difficult market. The board are clear about the priorities required for continued development of the business in both the medium and long term and have the proven management capability to deliver.

ON BEHALF OF THE BOARD:



Mrs L Smith - Secretary

14 August 2015

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Report of the Directors for the Year Ended 30 April 2015

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of building and maintenance work.

DIVIDENDS

An interim dividend was paid during the year at a rate of £34 per share on 30 April 2015 on the ordinary shares. The directors recommend that no final dividend be paid on these shares.

Interim dividends were paid throughout the year at a rate of £1.00 per share on 23 May 2014, £25.00 per share on 24 June 2014, £2.00 per share on 3 July 2014, £3.00 per share on 18 August 2014, £10.00 per share on 1 September 2014, £2.10 per share on 3 October 2014, £12.00 per share on 18 December 2014, £1.70 per share on 20 January 2015 and £5.00 per share on 20 April 2015 on the A preference £1 shares. The directors recommend that no final dividend be paid on these shares.

No dividends were paid on the B preference £1 shares during the year. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 30 April 2015 was £1,761,800.

DIRECTORS

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

B A Adams
S J Cutler
R J Mottram
M Head

The director B A Adams has a 100% shareholding in the holding company A&H Construction & Developments (Holdings) Limited.

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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

A & H CONSTRUCTION & DEVELOPMENTS PLC

**Report of the Directors
for the Year Ended 30 April 2015**

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 company'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 company's auditors are aware of that information.

AUDITORS

The auditors, Michael Dufty Partnership Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mrs L Smith - Secretary

14 August 2015

Report of the Independent Auditors to the Members of A.& H. Construction and Developments Plc

We have audited the financial statements of A.& H. Construction and Developments Plc for the year ended 30 April 2015 on pages seven to fifteen. 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 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 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 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 company's affairs as at 30 April 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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
A.& H. Construction and Developments Plc**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Robert MacLaren ACA FCCA (Senior Statutory Auditor)
for and on behalf of Michael Dufty Partnership Limited
Statutory Auditors
59-61 Charlotte Street
St Pauls Square
Birmingham
West Midlands
B3 1PX

14 August 2015

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Profit and Loss Account for the Year Ended 30 April 2015

	Notes	2015 £	£	2014 £	£
TURNOVER			59,828,246		50,417,724
Cost of sales			54,967,511		45,719,925
GROSS PROFIT			4,860,735		4,697,799
Administrative expenses			2,248,338		1,892,724
			2,612,397		2,805,075
Other operating income			20,000		20,000
OPERATING PROFIT	3		2,632,397		2,825,075
Income from fixed asset investments		20,987		-	
Interest receivable and similar income		24,594		8,149	
			45,581		8,149
			2,677,978		2,833,224
Interest payable and similar charges	4		130		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			2,677,848		2,833,224
Tax on profit on ordinary activities	5		564,503		643,236
PROFIT FOR THE FINANCIAL YEAR			2,113,345		2,189,988

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.


The notes form part of these financial statements

A & H CONSTRUCTION & DEVELOPMENTS PLC (REGISTERED NUMBER: 02580900)

**Balance Sheet
30 April 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	7	431,621	310,887
CURRENT ASSETS			
Stocks	8	1,391,512	751,300
Debtors	9	11,699,647	11,334,488
Investments	10	-	113,972
Cash at bank and in hand		6,118,645	1,955,246
		<u>19,209,804</u>	<u>14,155,006</u>
CREDITORS			
Amounts falling due within one year	11	<u>15,609,137</u>	<u>10,815,549</u>
NET CURRENT ASSETS		<u>3,600,667</u>	<u>3,339,457</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,032,288</u>	<u>3,650,344</u>
PROVISIONS FOR LIABILITIES	14	<u>30,399</u>	<u>-</u>
NET ASSETS		<u><u>4,001,889</u></u>	<u><u>3,650,344</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	52,000	52,000
Profit and loss account	16	<u>3,949,889</u>	<u>3,598,344</u>
SHAREHOLDERS' FUNDS	19	<u><u>4,001,889</u></u>	<u><u>3,650,344</u></u>

The financial statements were approved by the Board of Directors on 14 August 2015 and were signed on its behalf by:



B A Adams - Director

The notes form part of these financial statements

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements for the Year Ended 30 April 2015

1. ACCOUNTING POLICIES

Accounting convention

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost

Stocks

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

Long term contracts are stated at net cost less foreseeable losses less any applicable payments on account. The amount recorded as turnover in respect of long term contracts is ascertained by reference to the value of the work carried out to date. Attributable profit is recognised as the difference between recorded turnover and related costs.

Hire purchase and leasing commitments

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

Turnover and revenue recognition

Turnover comprises the fair value of the consideration received or receivable, net of value added tax.

Turnover is recognised as follows:

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by surveys of work performed to date. Variations in contract work, claims and incentive payments are included to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

2. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	2,945,396	2,478,125
Social security costs	341,645	278,298
Other pension costs	61,525	44,921
	<u>3,348,566</u>	<u>2,801,344</u>

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements - continued for the Year Ended 30 April 2015

2. STAFF COSTS - continued

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

	2015	2014
Production staff	38	37
Office and management	24	24
	<u>62</u>	<u>61</u>

3. OPERATING PROFIT

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

	2015 £	2014 £
Plant hire	1,332,246	1,301,857
Other operating leases	10,525	8,964
Depreciation - owned assets	163,857	128,031
Profit on disposal of fixed assets	(9,547)	(9,000)
Auditors' remuneration	16,500	16,500
Operating leases - land and buildings	13,000	13,000
Auditors remuneration non-audit	<u>6,123</u>	<u>4,306</u>
Directors' remuneration	<u>502,345</u>	<u>418,008</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2015 £	2014 £
Emoluments etc	<u>137,777</u>	<u>126,497</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £	2014 £
Interest payable	<u>130</u>	<u>-</u>

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements - continued for the Year Ended 30 April 2015

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	534,104	643,236
Deferred tax	30,399	-
Tax on profit on ordinary activities	<u>564,503</u>	<u>643,236</u>

UK corporation tax has been charged at 20% (2014 - 21%).

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>2,677,848</u>	<u>2,833,224</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21%)	535,570	594,977
Effects of:		
Expenses not deductible for tax purposes	7,620	5,625
Capital allowances in excess of depreciation	(28,382)	(9,072)
Corporation tax charged at different rates	19,296	51,706
Current tax charge	<u>534,104</u>	<u>643,236</u>

6. DIVIDENDS

	2015 £	2014 £
Ordinary shares of £1 each		
Interim - ordinary shares	1,700,000	2,000,000
A Preference shares of £1 each		
Interim - A preference shares	61,800	-
	<u>1,761,800</u>	<u>2,000,000</u>

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

**Notes to the Financial Statements - continued
for the Year Ended 30 April 2015**

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2014	284,229	245,828	715,424	1,245,481
Additions	-	21,240	269,512	290,752
Disposals	(8,405)	-	(93,764)	(102,169)
At 30 April 2015	275,824	267,068	891,172	1,434,064
DEPRECIATION				
At 1 May 2014	195,659	244,901	494,034	934,594
Charge for year	37,117	1,442	125,298	163,857
Eliminated on disposal	(8,405)	-	(87,603)	(96,008)
At 30 April 2015	224,371	246,343	531,729	1,002,443
NET BOOK VALUE				
At 30 April 2015	51,453	20,725	359,443	431,621
At 30 April 2014	88,570	927	221,390	310,887

8. STOCKS

	2015 £	2014 £
Net costs less foreseeable losses	1,391,512	751,300

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Amounts recoverable on contract	10,007,193	9,700,117
Other debtors	10,000	107,073
Owed by related parties	1,451,478	1,324,478
Prepayments	230,976	202,820
	11,699,647	11,334,488

10. CURRENT ASSET INVESTMENTS

	2015 £	2014 £
Listed investments	-	113,972

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements - continued for the Year Ended 30 April 2015

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Bank loans and overdrafts (see note 12)	339,909	-
Trade creditors	10,557,612	9,235,609
Corporation tax	155,340	343,236
Social security and other taxes	874,129	562,665
Owed to group undertakings	2,753,360	458,153
Directors' current accounts	560,709	26,529
Accrued expenses	368,078	189,357
	<u>15,609,137</u>	<u>10,815,549</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2015	2014
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>339,909</u>	<u>-</u>

13. OPERATING LEASE COMMITMENTS

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

	Land and buildings	
	2015	2014
	£	£
Expiring:		
Within one year	<u>13,000</u>	<u>13,000</u>

14. PROVISIONS FOR LIABILITIES

	2015	2014
	£	£
Deferred tax	<u>30,399</u>	<u>-</u>
		Deferred tax
		£
Charge to Profit and Loss Account during year		<u>30,399</u>
Balance at 30 April 2015		<u>30,399</u>

A.& H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements - continued for the Year Ended 30 April 2015

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2015	2014
Number:	Class:		£	£
50,000	Ordinary	£1	50,000	50,000
1,000	A Preference	£1	1,000	1,000
1,000	B Preference	£1	1,000	1,000
			<u>52,000</u>	<u>52,000</u>

The ordinary shares carry all of the voting rights. The A and B preference shares rank prior to the ordinary shares if the company is subject to any winding up procedures.

16. RESERVES

	Profit and loss account £
At 1 May 2014	3,598,344
Profit for the year	2,113,345
Dividends	<u>(1,761,800)</u>
At 30 April 2015	<u>3,949,889</u>

17. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of A&H Construction and Developments (Holdings) Limited, a company registered in England.

18. RELATED PARTY DISCLOSURES

The company is exempt from disclosing inter-group transactions and balances in accordance with Financial Reporting Standard 8.

During the year the company invoiced sales to the value of £nil (2014 - £nil) to St Kenelm Properties Plc a company of which the director, B A Adams, is the controlling shareholder. At the balance sheet date the company was owed £565,533 (2014 - £565,533) by St Kenelm Properties Plc.

At the balance sheet date the company was owed £400 (2014 - £400) by G & F Properties Limited a company in which the directors have a controlling interest.

At the balance sheet date the company was owed £726,046 (2014 - £726,021) by Corbesley Properties Limited a company in which the director, B Adams, has a controlling interest.

At the balance sheet date the company was owed £22,524 (2014 - £32,524) by Esteem Cosmetic Clinic Limited a company in which the director, B Adams, has a minority interest.

At the balance sheet date the company was owed £136,975 (2014 - £nil) by BAA Management Limited a company in which the director, B Adams, has a controlling interest.

A. & H. CONSTRUCTION AND DEVELOPMENTS PLC

Notes to the Financial Statements - continued for the Year Ended 30 April 2015

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015	2014
	£	£
Profit for the financial year	2,113,345	2,189,988
Dividends	(1,761,800)	(2,000,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	351,545	189,988
Opening shareholders' funds	3,650,344	3,460,356
	<hr/>	<hr/>
Closing shareholders' funds	<u>4,001,889</u>	<u>3,650,344</u>

20. ULTIMATE CONTROLLING PARTY

The company was controlled throughout the current and previous year by a director, B A Adams, by virtue of his 100% shareholding in the company's parent company, A&H Construction and Development (Holdings) Limited.