financial statements group

AC PLC and subsidiary undertakings

For the year ended 31 March 2015

Company registration number: 06526121

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AC PLC AND SUBSIDIARY UNDERTAKINGS

COMPANY INFORMATION

DIRECTORS	Andrew C Laing Timothy Hill Simon Lousada Angela Douty Jeremy Kershaw Graham Sturge (appointed 6 April 2015)
COMPANY SECRETARY	Angela Douty
REGISTERED NUMBER	06526121
REGISTERED OFFICE	Beancroft Farm Beancroft Road Marston Moretaine Bedfordshire MK43 0QE
INDEPENDENT AUDITORS	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors Equipoise House Grove Place Bedford MK40 3LE

AC PLC AND SUBSIDIARY UNDERTAKINGS

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2015

BUSINESS REVIEW

The group continued its success over the past year, seeing the creation of 30 new jobs and record turnover of £33.3million up 48% this year.

A success story not only on the job creation but growing the value of the company. AC aim is to be the best company to work for and work with in the industry. These efforts were showed with some of our new senior staff members.

In 2014/15 we continued to strengthen our capabilities and use our expertise in targeting sectors to enhance our market penetration. This translated into significant wins across the group.

KEY PERFORMANCE INDICATORS

Headline facts and figures:
- Turnover for the group increased by 48%
- Creation of 30 new jobs
- Achieved further decrease of 20% year on year on health and safety reportable incidents and near misses
- The first jobs leaving AC Joinery and AC Welding & Fabrication with great success
- The continuation of ISO 9001, 14001 and 18001 accreditation

This report was approved by the board and signed on its behalf.

.....
Andrew C Laing
Director

Date: 29/09/2015

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 group 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 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.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of a holding company.

The principal activities of the group include the supply and fitting of floor covering and domestic and commercial refurbishments, the construction, development and improvement of property and the erection of roof covering and frames.

DIRECTORS

The directors who served during the year were:

Andrew C Laing
Timothy Hill
Simon Lousada
Angela Douty
Jeremy Kershaw

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

AUDITORS

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....
Andrew C Laing
Director

Date: 29/09/2015

Beancroft Farm
Beancroft Road
Marston Moretaine
Bedfordshire
MK43 0QE

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AC PLC AND SUBSIDIARY UNDERTAKINGS

We have audited the financial statements of AC PLC and subsidiary undertakings for the year ended 31 March 2015, which comprise the group Profit and Loss Account, the group and company Balance Sheets, the group Cash Flow Statement and the related notes. 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 an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's 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 Directors' Responsibilities Statement, 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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AC PLC AND SUBSIDIARY UNDERTAKINGS

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.

Brian Neil Richens FCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Equipoise House
Grove Place
Bedford
MK40 3LE
Date: 29/09/2015

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
TURNOVER	1,2	**33,362,513**	*22,462,990*
Cost of sales		**(27,596,005)**	*(17,850,148)*
GROSS PROFIT		**5,766,508**	*4,612,842*
Administrative expenses		**(5,096,288)**	*(3,385,930)*
OPERATING PROFIT	3	**670,220**	*1,226,912*
Interest receivable and similar income		**-**	*141*
Interest payable and similar charges	6	**(63,897)**	*(11,724)*
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**606,323**	*1,215,329*
Tax on profit on ordinary activities	7	**(120,171)**	*(276,966)*
PROFIT FOR THE FINANCIAL YEAR	14	**486,152**	*938,363*

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

The notes on pages 10 to 22 form part of these financial statements.

AC PLC AND SUBSIDIARY UNDERTAKINGS
REGISTERED NUMBER: 06526121

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	8		**417,768**		-
CURRENT ASSETS					
Stocks		**355,184**		*457,446*	
Debtors	10	**9,092,044**		*7,104,863*	
Cash at bank		**89,849**		*31,724*	
		9,537,077		*7,594,033*	
CREDITORS: amounts falling due within one year	11	**(7,529,483)**		*(5,433,471)*	
NET CURRENT ASSETS			**2,007,594**		*2,160,562*
TOTAL ASSETS LESS CURRENT LIABILITIES			**2,425,362**		*2,160,562*
CREDITORS: amounts falling due after more than one year	12		**(409,733)**		*(631,085)*
NET ASSETS			**2,015,629**		*1,529,477*
CAPITAL AND RESERVES					
Called up share capital	13		**50,000**		*50,000*
Profit and loss account	14		**1,965,629**		*1,479,477*
SHAREHOLDERS' FUNDS	15		**2,015,629**		*1,529,477*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29/09/2015

.....
Andrew C Laing
Director

The notes on pages 10 to 22 form part of these financial statements.

AC PLC AND SUBSIDIARY UNDERTAKINGS
REGISTERED NUMBER: 06526121

COMPANY BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Investments	9		**1,335,001**		*1,335,001*
CURRENT ASSETS					
Debtors	10	**2,482**		*807,941*	
Cash at bank		**-**		*8,911*	
		2,482		*816,852*	
CREDITORS: amounts falling due within one year	11	**(863,229)**		*(679,152)*	
NET CURRENT (LIABILITIES)/ASSETS			**(860,747)**		*137,700*
TOTAL ASSETS LESS CURRENT LIABILITIES			**474,254**		*1,472,701*
CREDITORS: amounts falling due after more than one year	12		**(200,000)**		*(320,000)*
NET ASSETS			**274,254**		*1,152,701*
CAPITAL AND RESERVES					
Called up share capital	13		**50,000**		*50,000*
Profit and loss account	14		**224,254**		*1,102,701*
SHAREHOLDERS' FUNDS	15		**274,254**		*1,152,701*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29/09/2015

.....
Andrew C Laing
Director

The notes on pages 10 to 22 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	16	**497,565**	*(1,141,275)*
Returns on investments and servicing of finance	17	**(63,897)**	*(11,583)*
Taxation		**(276,711)**	*(169,022)*
Capital expenditure and financial investment	17	**(426,403)**	*(20,650)*
CASH OUTFLOW BEFORE FINANCING		**(269,446)**	*(1,342,530)*
Financing	17	**(137,435)**	*(220,000)*
DECREASE IN CASH IN THE YEAR		**(406,881)**	*(1,562,530)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MARCH 2015

	2015 £	2014 £
Decrease in cash in the year	**(406,881)**	*(1,562,530)*
Cash outflow from decrease in debt and lease financing	**137,435**	*220,000*
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	**(269,446)**	*(1,342,530)*
Other non-cash changes	**-**	*1*
MOVEMENT IN NET DEBT IN THE YEAR	**(269,446)**	*(1,342,529)*
Net debt at 1 April 2014	**(1,615,463)**	*(272,934)*
NET DEBT AT 31 MARCH 2015	**(1,884,909)**	*(1,615,463)*

The notes on pages 10 to 22 form part of these financial statements.

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Basis of consolidation

The financial statements consolidate the accounts of AC PLC and subsidiary undertakings and all of its subsidiary undertakings ('subsidiaries').

1.3 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover represents, in the case of long term contracts, the proportion of contract value applicable to the activity of the year, ascertained by quantity surveyors by reference to work completed. Costs are matched with the turnover resulting in the reporting of attributable profit proportionate to the contract activity.

Estimates of total contract costs and revenues are reviewed periodically and the cumulative effects of changes are recognised in the period in which they are identified. All known or anticipated losses are provided for in full as soon as they are foreseen.

All costs incurred are recorded as cost of sales. Revenues recognised in excess of amounts billed are classified as amounts recoverable on contracts and included in debtors. Where cash is received in advance of the contract valuation, the balance is recognised as part of creditors due within one year, as payments received on account.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	25% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis
Fixtures and fittings	-	25% per annum on a straight line basis
Computer equipment	-	50% per annum on a straight line basis
Freehold property improvements	-	25% per annum on a straight line basis

1.5 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1. ACCOUNTING POLICIES (continued)

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

1. ACCOUNTING POLICIES (continued)

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

The whole of the turnover is attributable to the principal activities of the Group.

A geographical analysis of turnover is as follows:

	2015 £	2014 £
United Kingdom	**30,131,516**	*22,432,090*
Europe	**3,230,997**	*30,900*
	33,362,513	*22,462,990*

3. OPERATING PROFIT

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

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the group	**9,468**	-
Auditors' remuneration	**16,000**	*16,000*
Operating lease rentals:		
- plant and machinery	**249,349**	*300,000*
- other operating leases	**43,745**	*25,620*
Difference on foreign exchange	**(25,671)**	*4,332*

Auditors' remuneration for the Group is borne by A.C. Flooring Limited.

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	**3,109,385**	*2,032,815*
Social security costs	**323,686**	*210,280*
Other pension costs	**24,542**	*121,175*
	3,457,613	*2,364,270*

4. STAFF COSTS (continued)

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

	2015 No.	*2014* *No.*
Administrative staff	**82**	*52*
Directors	**5**	*5*
	87	*57*

5. DIRECTORS' REMUNERATION

	2015 £	*2014* *£*
Remuneration	**515,387**	*526,450*
Company pension contributions to defined contribution pension schemes	**10,920**	*108,830*

During the year retirement benefits were accruing to 5 directors *(2014 - 5)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £115,000 *(2014 - £141,033)*.

6. INTEREST PAYABLE

	2015 £	*2014* *£*
On bank loans and overdrafts	**42,581**	*(6,728)*
On other loans	**21,217**	*18,452*
On finance leases and hire purchase contracts	**99**	*-*
	63,897	*11,724*

7. TAXATION

	2015 £	*2014* *£*
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	**121,283**	*277,823*
Adjustments in respect of prior periods	**(1,112)**	*(857)*
Tax on profit on ordinary activities	**120,171**	*276,966*

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2014 - lower than)* the standard rate of corporation tax in the UK of 20% *(2014 - 23%)*. The differences are explained below:

	2015 £	*2014* *£*
Profit on ordinary activities before tax	**606,323**	*1,215,329*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% *(2014 - 23%)*	**121,265**	*279,526*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**18**	*1,903*
Adjustments to tax charge in respect of prior periods	**(1,112)**	*(857)*
Marginal relief	**-**	*(3,606)*
Current tax charge for the year (see note above)	**120,171**	*276,966*

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

8. TANGIBLE FIXED ASSETS

Group	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Freehold property improve-ments £	Total £
Cost						
Additions	**224,734**	**55,413**	**9,424**	**71,044**	**66,621**	**427,236**
At 31 March 2015	**224,734**	**55,413**	**9,424**	**71,044**	**66,621**	**427,236**
Depreciation						
At 1 April 2014	**-**	**-**	**-**	**-**	**-**	**-**
Charge for the year	**4,682**	**1,154**	**196**	**2,960**	**476**	**9,468**
At 31 March 2015	**4,682**	**1,154**	**196**	**2,960**	**476**	**9,468**
Net book value						
At 31 March 2015	**220,052**	**54,259**	**9,228**	**68,084**	**66,145**	**417,768**

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2015 £	*2014 £*
Motor vehicles	**54,259**	-

9. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
A.C. Flooring Limited	Ordinary	100%
AC Resources Limited	Ordinary	100%
AC Build Limited	Ordinary	100%
A C Waterproofing Limited	Ordinary	100%

Name	Business	Registered office
A.C. Flooring Limited	Supply and fitting of floor covering and domestic and commercial refurbishments.	United Kingdom
AC Resources Limited	Dormant	United Kingdom
AC Build Limited	Construction, development and improvement of property	United Kingdom
A C Waterproofing Limited	Erection of roof covering and frames	United Kingdom

The aggregate of the share capital and reserves as at 31 March 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
A.C. Flooring Limited	**2,631,968**	**927,496**
AC Resources Limited	**1**	**-**
AC Build Limited	**140,722**	**139,290**
A C Waterproofing Limited	**303,687**	**297,814**

AC Build Limited and A C Waterproofing Limited are subsidiaries of A.C. Flooring Limited.

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2014 and 31 March 2015	**1,335,001**
Net book value	
At 31 March 2015	**1,335,001**
At 31 March 2014	*1,335,001*

10. DEBTORS

	Group		Company	
	2015	*2014*	**2015**	*2014*
	£	*£*	**£**	*£*
Trade debtors	**452,242**	*1,322,683*	**-**	*-*
Amounts owed by group undertakings	**-**	*-*	**-**	*801,878*
VAT repayable	**282,569**	*-*	**-**	*-*
Other debtors	**5,734**	*6,432*	**2,482**	*6,063*
Prepayments and accrued income	**814,354**	*53,655*	**-**	*-*
Amounts recoverable on long term contracts	**7,537,145**	*5,722,093*	**-**	*-*
	9,092,044	*7,104,863*	**2,482**	*807,941*

11. CREDITORS:
Amounts falling due within one year

	Group		Company	
	2015	*2014*	**2015**	*2014*
	£	*£*	**£**	*£*
Bank loans and overdrafts	**1,372,193**	*896,102*	**24,299**	*-*
Net obligations under finance leases and hire purchase contracts	**72,832**	*-*	**-**	*-*
Trade creditors	**3,720,702**	*3,057,190*	**-**	*-*
Corporation tax	**121,283**	*277,823*	**1,000**	*31,583*
Other taxation and social security (see below)	**76,218**	*89,642*	**567**	*532*
Directors' loan account	**717,363**	*517,037*	**717,363**	*517,037*
Other creditors	**266,197**	*124,525*	**-**	*-*
Accruals and deferred income	**1,062,695**	*351,152*	**-**	*10,000*
Share capital treated as debt (Note 13)	**120,000**	*120,000*	**120,000**	*120,000*
	7,529,483	*5,433,471*	**863,229**	*679,152*

Other taxation and social security

	Group		Company	
	2015	*2014*	**2015**	*2014*
	£	*£*	**£**	*£*
PAYE/NI	**75,651**	*42,451*	**-**	*-*
VAT	**567**	*47,191*	**567**	*532*
	76,218	*89,642*	**567**	*532*

Disclosure of the terms and conditions attached to the non-equity shares are made in note 13.

The hire purchase contracts are secured against the assets concerned.

11. CREDITORS:
Amounts falling due within one year (continued)

The bank loans and overdrafts are secured by

1) A debenture dated 1 September 2008 by AC PLC and a debenture dated 30 July 2010 by A.C. Flooring Limited.

2) An inter-company cross guarantee given by A.C. Flooring Limited and its parent company AC PLC dated 1 September 2008.

3) A further inter-company guarantee given by A.C. Flooring Limited, AC PLC, AC Build Limited, AC Resources Limited, AC Waterproofing Limited and AC Assets LLP dated 23 January 2014.

12. CREDITORS:
Amounts falling due after more than one year

	Group		Company	
	2015	*2014*	**2015**	*2014*
	£	*£*	**£**	*£*
Bank loans	**209,733**	*311,085*	**-**	*-*
Share capital treated as debt (Note 13)	**200,000**	*320,000*	**200,000**	*320,000*
	409,733	*631,085*	**200,000**	*320,000*

Disclosure of the terms and conditions attached to the non-equity shares is made in note 13.

Included within the above are amounts falling due as follows:

	Group		Company	
	2015	*2014*	**2015**	*2014*
	£	*£*	**£**	*£*
Between two and five years				
Bank loans	**209,733**	*311,085*	**-**	*-*

The bank loans and overdrafts are secured by

1) A debenture dated 1 September 2008 by AC PLC and a debenture dated 30 July 2010 by A.C. Flooring Limited.

2) An inter-company cross guarantee given by A.C. Flooring Limited and its parent company AC PLC dated 1 September 2008.

3) A further inter-company guarantee given by A.C. Flooring Limited, AC PLC, AC Build Limited, AC Resources Limited, AC Waterproofing Limited and AC Assets LLP dated 23 January 2014.

13. SHARE CAPITAL

	2015 £	*2014* *£*
Shares classified as capital		
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	**50,000**	*50,000*
Shares classified as debt		
Allotted, called up and fully paid		
320,000 *(2014 - 440,000)* zero coupon Redeemable Preference shares of £1 each	**320,000**	*440,000*

The £1 zero coupon Redeemable Preference shares are redeemable at the company's discretion at par value. During the year 120,000 (2014: 120,000) £1 zero coupon Redeemable Preference shares were redeemed at par value.

14. RESERVES

Group	**Profit and loss account** **£**
At 1 April 2014	**1,479,477**
Profit for the financial year	**486,152**
At 31 March 2015	**1,965,629**

Company	**Profit and loss account** **£**
At 1 April 2014	**1,102,701**
Loss for the financial year	**(878,447)**
At 31 March 2015	**224,254**

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

Group	2015 £	2014 £
Opening shareholders' funds	**1,529,477**	*591,114*
Profit for the financial year	**486,152**	*938,363*
Closing shareholders' funds	**2,015,629**	*1,529,477*

Company	2015 £	2014 £
Opening shareholders' funds	**1,152,701**	*439,518*
(Loss)/profit for the financial year	**(878,447)**	*713,183*
Closing shareholders' funds	**274,254**	*1,152,701*

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

The loss for the year dealt with in the accounts of the company was £878,447 *(2014 - profit of £713,183).*

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	**670,220**	*1,226,912*
Depreciation of tangible fixed assets	**9,468**	*-*
(Profit)/loss on disposal of tangible fixed assets	**(833)**	*20,650*
Decrease/(increase) in stocks	**102,262**	*(283,280)*
Increase in debtors	**(1,985,730)**	*(2,884,892)*
Increase in creditors	**1,702,178**	*779,335*
Net cash inflow/(outflow) from operating activities	**497,565**	*(1,141,275)*

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	**-**	*141*
Interest paid	**(63,798)**	*(11,724)*
Hire purchase interest	**(99)**	*-*
Net cash outflow from returns on investments and servicing of finance	**(63,897)**	*(11,583)*

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	*2014* *£*
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(427,236)**	-
Sale of tangible fixed assets	**833**	*(20,650)*
Net cash outflow from capital expenditure	**(426,403)**	*(20,650)*

	2015 £	*2014* *£*
Financing		
Repayment of loans	**(90,267)**	*(100,000)*
New finance leases	**72,832**	-
Shares treated as debt - Redeemed	**(120,000)**	*(120,000)*
Net cash outflow from financing	**(137,435)**	*(220,000)*

18. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	**31,724**	**58,125**	-	**89,849**
Bank overdraft	**(807,187)**	**(465,006)**	-	**(1,272,193)**
	(775,463)	**(406,881)**	-	**(1,182,344)**
Debt:				
Debts due within one year	**(208,915)**	**(83,917)**	-	**(292,832)**
Debts falling due after more than one year	**(631,085)**	**221,352**	-	**(409,733)**
Net debt	**(1,615,463)**	**(269,446)**	-	**(1,884,909)**

19. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The annual commitment under the scheme is for contributions of £24,542 (2014: £121,175). There were no outstanding or prepaid contributions at the year end (2014: none).

20. RELATED PARTY TRANSACTIONS

During the year hire charges of £165,000 (2014: £300,000) were paid to AC Assets LLP, an LLP in which Andrew C Laing and his wife Claire V Laing are the only Designated Members. During the year the company also purchased £349,992 of fixed assets from the LLP. At the year end an amount of £48,757 (2014: £147,504) was due to AC Assets LLP included within creditors.

During the year a Directors' loan account existed in favour of Andrew C Laing. The balance outstanding at the year end was £717,363 (2014: £517,037). Interest of £21,217 (2014: £18,452) was paid by the Group in respect of the balance due.

The company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with other members of the group headed by AC PLC. Transactions with other group companies are not disclosed since the ultimate parent company has prepared consolidated financial statements which are publicly available.

21. CONTROLLING PARTY

The company was under the ultimate control of Andrew C Laing throughout the current and previous year.