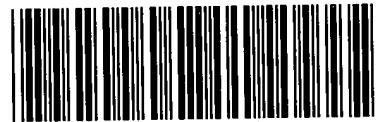


**REGISTERED NUMBER: 07155322 (England and Wales)**

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016  
FOR  
ALLFORD HALL MONAGHAN MORRIS LIMITED**

THURSDAY



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24/11/2016

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COMPANIES HOUSE

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FOR THE YEAR ENDED 31ST MARCH 2016**

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**ALLFORD HALL MONAGHAN MORRIS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST MARCH 2016**

**DIRECTORS:**

S Allford  
J J Hall  
P R Monaghan  
P C R Morris

**REGISTERED OFFICE:**

Morelands  
5-23 Old Street  
London  
EC1V 9HL

**REGISTERED NUMBER:**

07155322 (England and Wales)

**AUDITORS:**

Leigh Philip & Partners  
Statutory Auditor  
Chartered Accountants  
2nd Floor  
Devonshire House  
1 Devonshire Street  
London  
W1W 5DS

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31ST MARCH 2016**

The directors present their strategic report of the company and the group for the year ended 31st March 2016.

**REVIEW OF BUSINESS**

The results for the year and financial position of the group are as shown in the annexed financial statements.

The practice has remained very busy in 2015/16, while continuing the pattern of relative stability and incremental growth pursued in the previous year. Turnover of £29,457k (2015: £28,582k) showed an increase of 3% versus 2015 reflecting steady but modest growth overall, in line with the company's decision to stabilise its numbers and turnover by being ever more selective in the work it takes on. Gross margins were slightly reduced from 50% in 2015 to 48% in 2016, principally due to the proportion of projects in the year which were at the later, more labour intensive stages, itself a reflection of a continued focus on excellent delivery. Operating profit is stated after, and therefore distorted by, Profit Share. Net profit before tax increased by 20% to £2,261k (2015: £1,870k) though net profit after tax at £1,983k (2015: £2,362k) was slightly lower than the previous year, which had been boosted by significant tax credits in respect of UK Research & Development activities carried out in that and earlier years.

On a Full Time Equivalent (FTE) basis, the average staff headcount, at 317, was 18 (6%) higher than the previous year, whilst actual FTE's in the year showed a net decrease of 12 (-4%) to 306, demonstrating the company's continued focus on resourcing levels and cost management.

During the year the latest phase of currently planned investment in premises was made with the extension and fit-out of additional studio space within the existing Morelands building and new premises for our team in Oklahoma, USA.

The company's profit share scheme continued in the year ended March 2016 and the distribution of profit (in respect of year ending March 2015) equated to 8.1% of salary (2014: 13.4%) reflecting the managed reduction in growth rate and the continued building up of cash reserves. Provision has been made within the 2016 accounts for a distribution in respect of year ending March 2016

**Key Performance Indicators**

Key performance indicators confirm improvements in the results as follows:

|  | <u>2016</u> | <u>2015</u> |
|--|-------------|-------------|
| Turnover (% increase on previous year) | 3.0%        | 6.0%        |
| Gross margin (% of turnover)           | 47.9%       | 50.0%       |
| Average Trade Debtor days              | 42 days     | 43 days     |
| Average Trade Creditor days            | 23 days     | 28 days     |
| Current Ratio                          | 1.43        | 1.36        |
| Current Ratio (excluding Loan Notes)   | 1.63        | 1.56        |

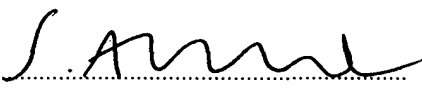
**ANNUAL REPORT**

Persons entitled to copies of the annual accounts can obtain them from the registered office with written notice.

**AUDIT REPORT**

Please note the audit report was not qualified in these accounts.

**ON BEHALF OF THE BOARD:**

.....  
Director

Date: .....14/07/2016.....

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST MARCH 2016**

The directors present their report with the financial statements of the company and the group for the year ended 31st March 2016.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of providing architectural services.

**DIVIDENDS**

No dividends will be distributed for the year ended 31st March 2016.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st April 2015 to the date of this report.

S Allford  
J J Hall  
P R Monaghan  
P C R Morris

**CHARITABLE DONATIONS**

The Company made charitable donations totalling £39,580 (2015 : £17,077) during the year.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

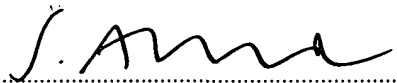
**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2016**

**AUDITORS**

The auditors, Leigh Philip & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



S Allford - Director

Date: 14/07/2016

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ALLFORD HALL MONAGHAN MORRIS LIMITED**

We have audited the financial statements of Allford Hall Monaghan Morris Limited for the year ended 31st March 2016 on pages seven to twenty eight. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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 31st March 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

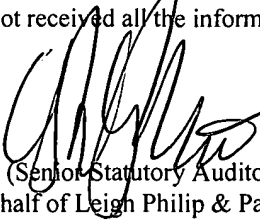
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ALLFORD HALL MONAGHAN MORRIS 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.



Ashley Shaw (Senior Statutory Auditor)  
for and on behalf of Leigh Philip & Partners  
Statutory Auditor  
Chartered Accountants  
2nd Floor  
Devonshire House  
1 Devonshire Street  
London  
W1W 5DS

Date: .....14/07/2016.....

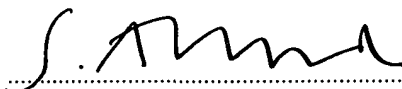
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST MARCH 2016**


|   | Notes | 2016<br>£  | 2015<br>£  |
|---|-------|------------|------------|
| <b>TURNOVER</b>   | 3     | 29,457,454 | 28,581,813 |
| Cost of sales   |       | 15,357,294 | 14,304,044 |
| <b>GROSS PROFIT</b>   |       | 14,100,160 | 14,277,769 |
| Administrative expenses   |       | 11,914,595 | 12,262,105 |
|   |       | 2,185,565  | 2,015,664  |
| Other operating income  |       | 54,097     | -          |
| <b>OPERATING PROFIT</b>   | 6     | 2,239,662  | 2,015,664  |
| Interest receivable and similar income                              |       | 121,160    | 14,928     |
|   |       | 2,360,822  | 2,030,592  |
| Interest payable and similar expenses                               | 7     | 100,222    | 160,530    |
| <b>PROFIT BEFORE TAXATION</b>                                       |       | 2,260,600  | 1,870,062  |
| Tax on profit   | 8     | 195,387    | (492,371)  |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                                |       | 2,065,213  | 2,362,433  |
| <b>OTHER COMPREHENSIVE INCOME</b>                                   |       | -          | -          |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE YEAR</b>                  |       | 2,065,213  | 2,362,433  |
| Profit attributable to:<br>Owners of the parent                     |       | 2,065,213  | 2,362,433  |
| Total comprehensive income attributable to:<br>Owners of the parent |       | 2,065,213  | 2,362,433  |

**CONSOLIDATED BALANCE SHEET**  
**31 MARCH 2016**

|  | Notes | 2016<br>£                | 2015<br>£               |
|--|-------|--------------------------|-------------------------|
| <b>FIXED ASSETS</b>                          |       |                          |                         |
| Intangible assets                            | 10    | 4,380,000                | 5,110,000               |
| Tangible assets                              | 11    | 3,146,657                | 2,643,221               |
| Investments                                  | 12    | -                        | -                       |
|  |       | <u>7,526,657</u>         | <u>7,753,221</u>        |
| <b>CURRENT ASSETS</b>                        |       |                          |                         |
| Debtors: amounts falling due within one year | 13    | 7,693,955                | 6,914,735               |
| Investments                                  | 14    | 1,866,668                | 1,922,700               |
| Cash at bank and in hand                     |       | 4,422,594                | 3,691,884               |
|  |       | <u>13,983,217</u>        | <u>12,529,319</u>       |
| <b>CREDITORS</b>                             |       |                          |                         |
| Amounts falling due within one year          | 15    | 9,733,336                | 9,245,614               |
|  |       | <u>9,733,336</u>         | <u>9,245,614</u>        |
| <b>NET CURRENT ASSETS</b>                    |       | <u>4,249,881</u>         | <u>3,283,705</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>11,776,538</u>        | <u>11,036,926</u>       |
| <b>CREDITORS</b>                             |       |                          |                         |
| Amounts falling due after more than one year | 16    | -                        | 1,200,000               |
|  |       | <u>-</u>                 | <u>1,200,000</u>        |
| <b>NET ASSETS</b>                            |       | <u><u>11,776,538</u></u> | <u><u>9,836,926</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                          |                         |
| Called up share capital                      | 20    | 1,554,760                | 1,554,760               |
| Retained earnings                            | 21    | 10,221,778               | 8,282,166               |
|  |       | <u>11,776,538</u>        | <u>9,836,926</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                   | 23    | <u><u>11,776,538</u></u> | <u><u>9,836,926</u></u> |

The financial statements were approved by the Board of Directors on 14/07/2016 and were signed on its behalf by:

  
 S Allford - Director

  
 J J Hall - Director

  
 P R Monaghan - Director

  
 P C R Morris - Director

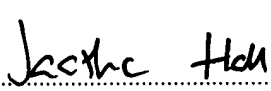
**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

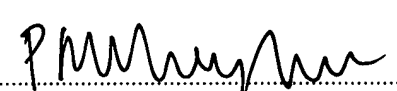
**COMPANY BALANCE SHEET  
31 MARCH 2016**

|  | Notes | 2016<br>£                | 2015<br>£               |
|--|-------|--------------------------|-------------------------|
| <b>FIXED ASSETS</b>                          |       |                          |                         |
| Intangible assets                            | 10    | 4,380,000                | 5,110,000               |
| Tangible assets                              | 11    | 3,029,999                | 2,631,418               |
| Investments                                  | 12    | 16,335                   | 16,577                  |
|  |       | <u>7,426,334</u>         | <u>7,757,995</u>        |
| <b>CURRENT ASSETS</b>                        |       |                          |                         |
| Debtors: amounts falling due within one year | 13    | 7,817,617                | 6,877,437               |
| Investments                                  | 14    | 1,866,668                | 1,922,700               |
| Cash at bank and in hand                     |       | 4,280,115                | 3,036,434               |
|  |       | <u>13,964,400</u>        | <u>11,836,571</u>       |
| <b>CREDITORS</b>                             |       |                          |                         |
| Amounts falling due within one year          | 15    | 9,601,455                | 8,961,228               |
| <b>NET CURRENT ASSETS</b>                    |       | <u>4,362,945</u>         | <u>2,875,343</u>        |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>11,789,279</u>        | <u>10,633,338</u>       |
| <b>CREDITORS</b>                             |       |                          |                         |
| Amounts falling due after more than one year | 16    | -                        | 1,200,000               |
| <b>NET ASSETS</b>                            |       | <u><u>11,789,279</u></u> | <u><u>9,433,338</u></u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                          |                         |
| Called up share capital                      | 20    | 1,554,760                | 1,554,760               |
| Retained earnings                            | 21    | 10,234,519               | 7,878,578               |
| <b>SHAREHOLDERS' FUNDS</b>                   | 23    | <u><u>11,789,279</u></u> | <u><u>9,433,338</u></u> |
| Company's profit for the financial year      |       | <u><u>2,481,542</u></u>  | <u><u>1,490,832</u></u> |

The financial statements were approved by the Board of Directors on 14/07/2016 and were signed on its behalf by:

  
S Allford - Director

  
J J Hall - Director

  
P R Monaghan - Director

  
P C R Morris - Director

The notes form part of these financial statements

**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2016**

|   | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£     |
|---|------------------------------------|---------------------------|--------------------------|
| <b>Balance at 1st April 2014</b>                          | 1,554,760                          | 5,794,132                 | 7,348,892                |
| <b>Changes in equity</b>                                  |                                    |                           |                          |
| Total comprehensive income                                | -                                  | 2,362,433                 | 2,362,433                |
| Unrealised gain on current on<br>current asset investment | -                                  | 125,601                   | 125,601                  |
| <b>Balance at 31st March 2015</b>                         | <u>1,554,760</u>                   | <u>8,282,166</u>          | <u>9,836,926</u>         |
| <b>Changes in equity</b>                                  |                                    |                           |                          |
| Total comprehensive income                                | -                                  | 2,065,213                 | 2,065,213                |
| Unrealised gain on current on<br>current asset investment | -                                  | (125,601)                 | (125,601)                |
| <b>Balance at 31st March 2016</b>                         | <u><u>1,554,760</u></u>            | <u><u>10,221,778</u></u>  | <u><u>11,776,538</u></u> |

The notes form part of these financial statements

**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH 2016**

|   | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|---|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1st April 2014</b>                          | 1,554,760                          | 6,262,145                 | 7,816,905            |
| <b>Changes in equity</b>                                  |                                    |                           |                      |
| Total comprehensive income                                | -                                  | 1,490,832                 | 1,490,832            |
| Unrealised gain on current on<br>current asset investment | -                                  | 125,601                   | 125,601              |
| <b>Balance at 31st March 2015</b>                         | <u>1,554,760</u>                   | <u>7,878,578</u>          | <u>9,433,338</u>     |
| <b>Changes in equity</b>                                  |                                    |                           |                      |
| Total comprehensive income                                | -                                  | 2,481,542                 | 2,481,542            |
| Unrealised gain on current on<br>current asset investment | -                                  | (125,601)                 | (125,601)            |
| <b>Balance at 31st March 2016</b>                         | <u>1,554,760</u>                   | <u>10,234,519</u>         | <u>11,789,279</u>    |

The notes form part of these financial statements

**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2016**

|   | Notes | 2016<br>£               | 2015<br>£               |
|---|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>                             |       |                         |                         |
| Cash generated from operations  | 1     | 3,344,330               | 4,826,661               |
| Interest paid   |       | (97,767)                | (157,562)               |
| Interest element of hire purchase or finance lease rental payments paid |       | (2,455)                 | (2,968)                 |
| Tax paid  |       | (58,711)                | 38,906                  |
| Net cash from operating activities                                      |       | <u>3,185,397</u>        | <u>4,705,037</u>        |
| <b>Cash flows from investing activities</b>                             |       |                         |                         |
| Purchase of tangible fixed assets                                       |       | (1,310,395)             | (1,408,418)             |
| Sale of tangible fixed assets   |       | -                       | 616                     |
| Interest received   |       | 121,160                 | 14,928                  |
| Net cash from investing activities                                      |       | <u>(1,189,235)</u>      | <u>(1,392,874)</u>      |
| <b>Cash flows from financing activities</b>                             |       |                         |                         |
| Loan repayments in year   |       | (1,200,000)             | (1,200,000)             |
| Movement in current asset investments                                   |       | (69,569)                | (1,797,099)             |
| Directors' loan accounts  |       | 4,117                   | -                       |
| Directors' loan accounts  |       | -                       | (222,271)               |
| Net cash from financing activities                                      |       | <u>(1,265,452)</u>      | <u>(3,219,370)</u>      |
| <b>Increase in cash and cash equivalents</b>                            |       | <u>730,710</u>          | <u>92,793</u>           |
| <b>Cash and cash equivalents at beginning of year</b>                   | 2     | 3,691,884               | 3,599,091               |
| <b>Cash and cash equivalents at end of year</b>                         | 2     | <u><u>4,422,594</u></u> | <u><u>3,691,884</u></u> |

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2016**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

|                                       | 2016<br>£        | 2015<br>£        |
|---------------------------------------|------------------|------------------|
| Profit before taxation                | 2,260,600        | 1,870,062        |
| Depreciation charges                  | 1,535,542        | 1,320,792        |
| Loss on disposal of fixed assets      | 1,416            | 10,810           |
| Finance costs                         | 100,222          | 160,530          |
| Finance income                        | (121,160)        | (14,928)         |
|                                       | <u>3,776,620</u> | <u>3,347,266</u> |
| Increase in trade and other debtors   | (1,145,669)      | (340,855)        |
| Increase in trade and other creditors | 713,379          | 1,820,250        |
|                                       | <u>3,344,330</u> | <u>4,826,661</u> |
| <b>Cash generated from operations</b> |                  |                  |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Consolidated Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31st March 2016**

|                           | 31.3.16<br>£     | 1.4.15<br>£      |
|---------------------------|------------------|------------------|
| Cash and cash equivalents | <u>4,422,594</u> | <u>3,691,884</u> |

**Year ended 31st March 2015**

|                           | 31.3.15<br>£     | 1.4.14<br>£      |
|---------------------------|------------------|------------------|
| Cash and cash equivalents | <u>3,691,884</u> | <u>3,599,091</u> |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2016**

**1. STATUTORY INFORMATION**

Allford Hall Monaghan Morris Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Basis of consolidation**

The group financial statements of Allford Hall Monaghan Morris Limited and its subsidiary companies are made up to 31 March 2016.

In the company's financial statements, investments in subsidiary companies are stated at cost less any amounts written off.

**Turnover**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, which is regarded as having an estimated useful life ending on 31 March 2022. Hence an amortisation rate of 10% per annum.

**Tangible fixed assets**

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

|                          |                               |
|--------------------------|-------------------------------|
| Improvements to property | - 5% on cost                  |
| Plant and machinery      | - 25% on cost and 20% on cost |
| Fixtures and fittings    | - 20% on cost                 |

**Deferred tax**

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

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

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

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

The Company itself operates a defined contribution pension scheme with Scottish Widows.

The US subsidiary operates a 401k savings plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

3. **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:

|                          | 2016<br>£         | 2015<br>£         |
|--------------------------|-------------------|-------------------|
| United Kingdom           | 27,833,386        | 24,185,154        |
| Europe                   | 793,821           | 554,957           |
| United States of America | 830,247           | 3,841,702         |
|                          | <u>29,457,454</u> | <u>28,581,813</u> |

4. **EMPLOYEES AND DIRECTORS**

|                       | 2016<br>£         | 2015<br>£         |
|-----------------------|-------------------|-------------------|
| Wages and salaries    | 14,991,490        | 15,749,624        |
| Social security costs | 1,836,496         | 1,445,504         |
| Other pension costs   | 845,162           | 748,699           |
|                       | <u>17,673,148</u> | <u>17,943,827</u> |

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

|                               | 2016       | 2015       |
|-------------------------------|------------|------------|
| Architects and administration | <u>336</u> | <u>315</u> |

The average number of employees by undertakings that are proportionately consolidated during the year was 336.

5. **DIRECTORS' EMOLUMENTS**

|  | 2016<br>£     | 2015<br>£     |
|--|---------------|---------------|
| Directors' remuneration                                    | 1,179,974     | 1,161,125     |
| Directors' pension contributions to money purchase schemes | <u>86,587</u> | <u>81,306</u> |

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

|                        | 2016     | 2015     |
|------------------------|----------|----------|
| Money purchase schemes | <u>4</u> | <u>4</u> |

Information regarding the highest paid director is as follows:

|   | 2016<br>£     | 2015<br>£     |
|---|---------------|---------------|
| Emoluments etc                                  | 294,995       | 290,282       |
| Pension contributions to money purchase schemes | <u>21,646</u> | <u>20,326</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

6. OPERATING PROFIT

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

|  | 2016           | 2015           |
|--|----------------|----------------|
|  | £              | £              |
| Depreciation - owned assets  | 779,338        | 564,588        |
| Depreciation - assets on hire purchase contracts or finance leases | 26,205         | 26,204         |
| Loss on disposal of fixed assets                                   | 1,416          | 10,810         |
| Goodwill amortisation  | 730,000        | 730,000        |
| Auditors' remuneration   | 41,625         | 33,250         |
| Foreign exchange differences                                       | (39,136)       | 8,347          |
| Auditors non-audit fees  | 17,531         | 25,791         |
|  | <u>779,338</u> | <u>564,588</u> |

7. INTEREST PAYABLE AND SIMILAR EXPENSES

|         | 2016           | 2015           |
|---------|----------------|----------------|
|         | £              | £              |
| Loan    | 97,767         | 157,562        |
| Leasing | 2,455          | 2,968          |
|         | <u>100,222</u> | <u>160,530</u> |

8. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

|  | 2016           | 2015             |
|--|----------------|------------------|
|  | £              | £                |
| Current tax:   |                |                  |
| UK corporation tax   | 227,549        | -                |
| (Over)/ under provision for Corporation Tax in prior years | -              | (619,510)        |
| US corporation tax   | 18,263         | 229,774          |
|  | <u>245,812</u> | <u>(389,736)</u> |
| Total current tax  | 245,812        | (389,736)        |
| Deferred tax   | (50,425)       | (102,635)        |
|  | <u>195,387</u> | <u>(492,371)</u> |
| Tax on profit  | 195,387        | (492,371)        |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

8. TAXATION - continued

**Reconciliation of total tax charge/(credit) included in profit and loss**

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

|  | 2016<br>£ | 2015<br>£ |
|--|-----------|-----------|
| Profit before tax  | 2,260,600 | 1,870,062 |
| Profit multiplied by the standard rate of corporation tax in the UK of 20%<br>(2015 - 20%) | 452,120   | 374,012   |
| Effects of:  |           |           |
| Expenses not deductible for tax purposes   | 9,030     | 14,018    |
| Income not taxable for tax purposes  | (10,581)  | -         |
| Depreciation in excess of capital allowances   | 169,919   | 89,124    |
| Utilisation of tax losses  | -         | (29,013)  |
| Research and development claims  | (472,552) | (658,350) |
| Deferred Tax   | (50,425)  | (102,635) |
| Interest   | -         | (542)     |
| Tax effect of subsidiary in USA  | 97,876    | 9,499     |
| Over provision in prior years  | -         | (188,484) |
| Total tax charge/(credit)  | 195,387   | (492,371) |

The over provision for tax in previous years arises from a claim against tax submitted to HM Revenue and Customs during the previous year.

9. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

10. INTANGIBLE FIXED ASSETS

**Group**

|  | Goodwill<br>£ |
|--|---------------|
| <b>COST</b>                              |               |
| At 1st April 2015<br>and 31st March 2016 | 7,300,000     |
| <b>AMORTISATION</b>                      |               |
| At 1st April 2015                        | 2,190,000     |
| Amortisation for year                    | 730,000       |
| At 31st March 2016                       | 2,920,000     |
| <b>NET BOOK VALUE</b>                    |               |
| At 31st March 2016                       | 4,380,000     |
| At 31st March 2015                       | 5,110,000     |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

10. INTANGIBLE FIXED ASSETS - continued

Company

|  | Goodwill<br>£ |
|--|---------------|
| <b>COST</b>                              |               |
| At 1st April 2015<br>and 31st March 2016 | 7,300,000     |
| <b>AMORTISATION</b>                      |               |
| At 1st April 2015                        | 2,190,000     |
| Amortisation for year                    | 730,000       |
| At 31st March 2016                       | 2,920,000     |
| <b>NET BOOK VALUE</b>                    |               |
| At 31st March 2016                       | 4,380,000     |
| At 31st March 2015                       | 5,110,000     |

The goodwill arose in 2010 following the acquisition of the group's business.

11. TANGIBLE FIXED ASSETS

Group

|                        | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|------------------------|-------------------------------------|-----------------------------|----------------------------------|-------------|
| <b>COST</b>            |                                     |                             |                                  |             |
| At 1st April 2015      | 1,177,964                           | 2,257,537                   | 489,500                          | 3,925,001   |
| Additions              | 293,363                             | 907,434                     | 109,598                          | 1,310,395   |
| Disposals              | -                                   | (1,545)                     | -                                | (1,545)     |
| At 31st March 2016     | 1,471,327                           | 3,163,426                   | 599,098                          | 5,233,851   |
| <b>DEPRECIATION</b>    |                                     |                             |                                  |             |
| At 1st April 2015      | 80,708                              | 1,048,157                   | 152,915                          | 1,281,780   |
| Charge for year        | 64,993                              | 629,029                     | 111,521                          | 805,543     |
| Eliminated on disposal | -                                   | (129)                       | -                                | (129)       |
| At 31st March 2016     | 145,701                             | 1,677,057                   | 264,436                          | 2,087,194   |
| <b>NET BOOK VALUE</b>  |                                     |                             |                                  |             |
| At 31st March 2016     | 1,325,626                           | 1,486,369                   | 334,662                          | 3,146,657   |
| At 31st March 2015     | 1,097,256                           | 1,209,380                   | 336,585                          | 2,643,221   |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

## 11. TANGIBLE FIXED ASSETS - continued

## Group

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

|  | Plant and<br>machinery<br>£ |
|--|-----------------------------|
| <b>COST</b>                              |                             |
| At 1st April 2015<br>and 31st March 2016 | 131,023                     |
| <b>DEPRECIATION</b>                      |                             |
| At 1st April 2015                        | 67,768                      |
| Charge for year                          | 26,205                      |
| At 31st March 2016                       | 93,973                      |
| <b>NET BOOK VALUE</b>                    |                             |
| At 31st March 2016                       | 37,050                      |
| At 31st March 2015                       | 63,255                      |

## Company

|                        | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£ |
|------------------------|-------------------------------------|-----------------------------|----------------------------------|-------------|
| <b>COST</b>            |                                     |                             |                                  |             |
| At 1st April 2015      | 1,177,964                           | 2,226,378                   | 489,500                          | 3,893,842   |
| Additions              | 215,151                             | 868,272                     | 109,598                          | 1,193,021   |
| Disposals              | -                                   | (1,545)                     | -                                | (1,545)     |
| At 31st March 2016     | 1,393,115                           | 3,093,105                   | 599,098                          | 5,085,318   |
| <b>DEPRECIATION</b>    |                                     |                             |                                  |             |
| At 1st April 2015      | 80,708                              | 1,028,801                   | 152,915                          | 1,262,424   |
| Charge for year        | 64,372                              | 617,131                     | 111,521                          | 793,024     |
| Eliminated on disposal | -                                   | (129)                       | -                                | (129)       |
| At 31st March 2016     | 145,080                             | 1,645,803                   | 264,436                          | 2,055,319   |
| <b>NET BOOK VALUE</b>  |                                     |                             |                                  |             |
| At 31st March 2016     | 1,248,035                           | 1,447,302                   | 334,662                          | 3,029,999   |
| At 31st March 2015     | 1,097,256                           | 1,197,577                   | 336,585                          | 2,631,418   |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

11. TANGIBLE FIXED ASSETS - continued

Company

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

|  | Plant and machinery<br>£ |
|--|--------------------------|
| <b>COST</b>                              |                          |
| At 1st April 2015<br>and 31st March 2016 | 131,023                  |
| <b>DEPRECIATION</b>                      |                          |
| At 1st April 2015                        | 67,768                   |
| Charge for year                          | 26,205                   |
| At 31st March 2016                       | 93,973                   |
| <b>NET BOOK VALUE</b>                    |                          |
| At 31st March 2016                       | 37,050                   |
| At 31st March 2015                       | 63,255                   |

12. FIXED ASSET INVESTMENTS

Company

|                       | Shares in group undertakings<br>£ |
|-----------------------|-----------------------------------|
| <b>COST</b>           |                                   |
| At 1st April 2015     | 16,577                            |
| Impairments           | (242)                             |
| At 31st March 2016    | 16,335                            |
| <b>NET BOOK VALUE</b> |                                   |
| At 31st March 2016    | 16,335                            |
| At 31st March 2015    | 16,577                            |

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

Subsidiaries

AHMM Limited

Registered office:

Nature of business: Dormant

| Class of shares: | % holding |
|------------------|-----------|
| Ordinary         | 100.00    |

|                                | 2016<br>£ | 2015<br>£ |
|--------------------------------|-----------|-----------|
| Aggregate capital and reserves | 1         | 1         |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

12. FIXED ASSET INVESTMENTS - continued

**AHMM BV**

Registered office:

Nature of business: Dormant

|                                | %<br>holding | 2016<br>£     | 2015<br>£     |
|--------------------------------|--------------|---------------|---------------|
| Class of shares:               | 100.00       |               |               |
| Ordinary                       |              |               |               |
| Aggregate capital and reserves |              | <u>16,335</u> | <u>16,577</u> |

**ALLFORD HALL MONAGHAN MORRIS LLC**

Registered office:

Nature of business: Architecture

|                                | %<br>holding | 2016<br>£        | 2015<br>£      |
|--------------------------------|--------------|------------------|----------------|
| Class of shares:               | 100.00       |                  |                |
| No shares applicable           |              |                  |                |
| Aggregate capital and reserves |              | <u>(12,739)</u>  | <u>403,588</u> |
| (Loss)/profit for the year     |              | <u>(416,327)</u> | <u>871,601</u> |

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                    | Group            |                  | Company          |                  |
|------------------------------------|------------------|------------------|------------------|------------------|
|                                    | 2016<br>£        | 2015<br>£        | 2016<br>£        | 2015<br>£        |
| Trade debtors                      | 5,008,325        | 4,872,814        | 4,895,762        | 4,730,597        |
| Amounts owed by group undertakings | -                | -                | 255,193          | 203,205          |
| Other debtors                      | 50,628           | 36,072           | 46,663           | 28,662           |
| Tax                                | 68,729           | 485,604          | 68,711           | 485,604          |
| Deferred tax asset                 | 80,577           | 30,151           | 80,577           | 30,151           |
| Prepayments and accrued income     | 2,485,696        | 1,490,094        | 2,470,711        | 1,399,218        |
|                                    | <u>7,693,955</u> | <u>6,914,735</u> | <u>7,817,617</u> | <u>6,877,437</u> |

Deferred tax asset

|              | Group         |               | Company       |               |
|--------------|---------------|---------------|---------------|---------------|
|              | 2016<br>£     | 2015<br>£     | 2016<br>£     | 2015<br>£     |
| Deferred tax | <u>80,577</u> | <u>30,151</u> | <u>80,577</u> | <u>30,151</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

14. CURRENT ASSET INVESTMENTS

|                      | Group            |                  | Company          |                  |
|----------------------|------------------|------------------|------------------|------------------|
|                      | 2016             | 2015             | 2016             | 2015             |
|                      | £                | £                | £                | £                |
| Listed investments   | 972,821          | 981,646          | 972,821          | 981,646          |
| Unlisted investments | 893,847          | 941,054          | 893,847          | 941,054          |
|                      | <u>1,866,668</u> | <u>1,922,700</u> | <u>1,866,668</u> | <u>1,922,700</u> |

Market value of listed investments at 31st March 2016 held by the group and the company - £972,821

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | Group            |                  | Company          |                  |
|---------------------------------|------------------|------------------|------------------|------------------|
|                                 | 2016             | 2015             | 2016             | 2015             |
|                                 | £                | £                | £                | £                |
| Other loans (see note 17)       | 1,200,000        | 1,200,000        | 1,200,000        | 1,200,000        |
| Trade creditors                 | 952,817          | 942,340          | 891,403          | 933,621          |
| Tax                             | -                | 229,774          | -                | -                |
| Social security and other taxes | 451,773          | 423,515          | 451,773          | 423,147          |
| VAT                             | 711,113          | 707,445          | 711,113          | 707,445          |
| Other creditors                 | 37,148           | 23,236           | 37,148           | 21,747           |
| Finance leases                  | 29,138           | 43,707           | 29,138           | 43,707           |
| Directors' loan accounts        | 4,117            | -                | 4,117            | -                |
| Accruals and deferred income    | 6,347,230        | 5,675,597        | 6,276,763        | 5,631,561        |
|                                 | <u>9,733,336</u> | <u>9,245,614</u> | <u>9,601,455</u> | <u>8,961,228</u> |

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

|                           | Group |           | Company |           |
|---------------------------|-------|-----------|---------|-----------|
|                           | 2016  | 2015      | 2016    | 2015      |
|                           | £     | £         | £       | £         |
| Other loans (see note 17) | -     | 1,200,000 | -       | 1,200,000 |

17. LOANS

An analysis of the maturity of loans is given below;

|   | Group            |                  | Company          |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2016             | 2015             | 2016             | 2015             |
|   | £                | £                | £                | £                |
| Amounts falling due within one year or on demand: |                  |                  |                  |                  |
| Loan notes due within one year                    | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,200,000</u> | <u>1,200,000</u> |
| Amounts falling due between one and two years:    |                  |                  |                  |                  |
| Loan notes due within one to two years            | <u>-</u>         | <u>1,200,000</u> | <u>-</u>         | <u>1,200,000</u> |

The loan notes are with parties directly connected to the directors. They are unsecured and bear interest at a fixed interest rate of 5%. They mature in March 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

|                 | Non-cancellable operating leases |                |
|-----------------|----------------------------------|----------------|
|                 | 2016                             | 2015           |
|                 | £                                | £              |
| Within one year | <u>855,001</u>                   | <u>821,110</u> |

Company

|                 | Non-cancellable operating leases |                |
|-----------------|----------------------------------|----------------|
|                 | 2016                             | 2015           |
|                 | £                                | £              |
| Within one year | <u>855,001</u>                   | <u>821,110</u> |

19. DEFERRED TAX

Group

|                            | £               |
|----------------------------|-----------------|
| Balance at 1st April 2015  | (30,151)        |
| Movement in the year       | <u>(50,426)</u> |
| Balance at 31st March 2016 | <u>(80,577)</u> |

Company

|                            | £               |
|----------------------------|-----------------|
| Balance at 1st April 2015  | (30,151)        |
| Provided during year       | (50,426)        |
| Movement in the year       | <u>—</u>        |
| Balance at 31st March 2016 | <u>(80,577)</u> |

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number:   | Class:   | Nominal value: | 2016             | 2015             |
|-----------|----------|----------------|------------------|------------------|
|           |          |                | £                | £                |
| 1,554,760 | Ordinary | 1.00           | <u>1,554,760</u> | <u>1,554,760</u> |

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

21. RESERVES

Group

|   | Retained<br>earnings<br>£ |
|---|---------------------------|
| At 1st April 2015   | 8,282,166                 |
| Profit for the year                                       | 2,065,213                 |
| Unrealised gain on current on<br>current asset investment | (125,601)                 |
| At 31st March 2016  | <u>10,221,778</u>         |

Company

|   | Retained<br>earnings<br>£ |
|---|---------------------------|
| At 1st April 2015   | 7,878,578                 |
| Profit for the year                                       | 2,481,542                 |
| Unrealised gain on current on<br>current asset investment | (125,601)                 |
| At 31st March 2016  | <u>10,234,519</u>         |

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following balances were owed to the director as at 31 March 2016:

S Allford: £3,696

J J Hall: £135

P C R Morris: £286

Also see note 17 regarding loan notes.

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

|  | 2016<br>£         | 2015<br>£        |
|--|-------------------|------------------|
| Profit for the financial year              | 2,065,213         | 2,362,433        |
| Unrealised gain on investment              | (125,601)         | 125,601          |
| <b>Net addition to shareholders' funds</b> | <u>1,939,612</u>  | <u>2,488,034</u> |
| Opening shareholders' funds                | 9,836,926         | 7,348,892        |
| <b>Closing shareholders' funds</b>         | <u>11,776,538</u> | <u>9,836,926</u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST MARCH 2016

23: RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS - continued

Company

|  | 2016              | 2015             |
|--|-------------------|------------------|
|  | £                 | £                |
| Profit for the financial year              | 2,481,542         | 1,490,832        |
| Unrealised gain on investment              | (125,601)         | 125,601          |
| <b>Net addition to shareholders' funds</b> | <b>2,355,941</b>  | <b>1,616,433</b> |
| Opening shareholders' funds                | 9,433,338         | 7,816,905        |
| <b>Closing shareholders' funds</b>         | <b>11,789,279</b> | <b>9,433,338</b> |

**RECONCILIATION OF EQUITY**  
**1ST APRIL 2014**  
**(DATE OF TRANSITION TO FRS 102)**

|  | Notes | UK<br>GAAP<br>£  | Effect of<br>transition<br>to FRS 102<br>£ | FRS 102<br>£     |
|--|-------|------------------|--|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |  |                  |
| Intangible assets                            |       | 5,840,000        | -  | 5,840,000        |
| Tangible assets                              |       | 1,837,021        | -  | 1,837,021        |
|  |       | <u>7,677,021</u> | <u>-</u>                                   | <u>7,677,021</u> |
| <b>CURRENT ASSETS</b>                        |       |                  |  |                  |
| Debtors                                      |       | 6,058,125        | -  | 6,058,125        |
| Cash at bank and in hand                     |       | 3,599,091        | -  | 3,599,091        |
|  |       | <u>9,657,216</u> | <u>-</u>                                   | <u>9,657,216</u> |
| <b>CREDITORS</b>                             |       |                  |  |                  |
| Amounts falling due within one year          |       | (7,512,861)      | -  | (7,512,861)      |
| <b>NET CURRENT ASSETS</b>                    |       | <u>2,144,355</u> | <u>-</u>                                   | <u>2,144,355</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 9,821,376        | -  | 9,821,376        |
| <b>CREDITORS</b>                             |       |                  |  |                  |
| Amounts falling due after more than one year |       | (2,400,000)      | -  | (2,400,000)      |
| <b>PROVISIONS FOR LIABILITIES</b>            |       | <u>(72,484)</u>  | <u>-</u>                                   | <u>(72,484)</u>  |
| <b>NET ASSETS</b>                            |       | <u>7,348,892</u> | <u>-</u>                                   | <u>7,348,892</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |  |                  |
| Called up share capital                      |       | 1,554,760        | -  | 1,554,760        |
| Retained earnings                            |       | 5,794,132        | -  | 5,794,132        |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>7,348,892</u> | <u>-</u>                                   | <u>7,348,892</u> |
|  |       | <u>7,348,892</u> | <u>-</u>                                   | <u>7,348,892</u> |

RECONCILIATION OF EQUITY - continued  
31ST MARCH 2015

|  | Notes | UK<br>GAAP<br>£   | Effect of<br>transition<br>to FRS 102<br>£ | FRS 102<br>£      |
|--|-------|-------------------|--|-------------------|
| <b>FIXED ASSETS</b>                              |       |                   |  |                   |
| Intangible assets                                |       | 5,110,000         | -  | 5,110,000         |
| Tangible assets                                  |       | 2,643,221         | -  | 2,643,221         |
|  |       | <u>7,753,221</u>  | <u>-</u>                                   | <u>7,753,221</u>  |
| <b>CURRENT ASSETS</b>                            |       |                   |  |                   |
| Debtors  |       | 6,914,735         | -  | 6,914,735         |
| Investments                                      | 1     | 1,797,099         | 125,601                                    | 1,922,700         |
| Cash at bank and in hand                         |       | 3,691,884         | -  | 3,691,884         |
|  |       | <u>12,403,718</u> | <u>125,601</u>                             | <u>12,529,319</u> |
| <b>CREDITORS</b>                                 |       |                   |  |                   |
| Amounts falling due within one year              |       | (9,245,614)       | -  | (9,245,614)       |
| <b>NET CURRENT ASSETS</b>                        |       | <u>3,158,104</u>  | <u>125,601</u>                             | <u>3,283,705</u>  |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | 10,911,325        | 125,601                                    | 11,036,926        |
| <b>CREDITORS</b>                                 |       |                   |  |                   |
| Amounts falling due after more than one<br>year  |       | (1,200,000)       | -  | (1,200,000)       |
| <b>NET ASSETS</b>                                |       | <u>9,711,325</u>  | <u>125,601</u>                             | <u>9,836,926</u>  |
| <b>CAPITAL AND RESERVES</b>                      |       |                   |  |                   |
| Called up share capital                          |       | 1,554,760         | -  | 1,554,760         |
| Retained earnings                                |       | 8,156,565         | 125,601                                    | 8,282,166         |
| <b>SHAREHOLDERS' FUNDS</b>                       |       | <u>9,711,325</u>  | <u>125,601</u>                             | <u>9,836,926</u>  |
|  |       | <u>9,711,325</u>  | <u>125,601</u>                             | <u>9,836,926</u>  |

Notes to the reconciliation of equity

1. Current reporting standards require investments to be included in the accounts at market value as at the year end.

**ALLFORD HALL MONAGHAN MORRIS LIMITED (REGISTERED NUMBER: 07155322)**

**RECONCILIATION OF PROFIT  
FOR THE YEAR ENDED 31ST MARCH 2015**

|   | <b>UK<br/>GAAP<br/>£</b> | <b>Effect of<br/>transition<br/>to FRS 102<br/>£</b> | <b>FRS 102<br/>£</b> |
|---|--------------------------|--|----------------------|
| <b>TURNOVER</b>                                 | 28,581,813               | -  | 28,581,813           |
| Cost of sales                                   | (14,304,044)             | -  | (14,304,044)         |
| <b>GROSS PROFIT</b>                             | 14,277,769               | -  | 14,277,769           |
| Administrative expenses                         | (12,262,105)             | -  | (12,262,105)         |
| <b>OPERATING PROFIT</b>                         | 2,015,664                | -  | 2,015,664            |
| Interest receivable and similar income          | 14,928                   | -  | 14,928               |
| Interest payable and similar expenses           | (160,530)                | -  | (160,530)            |
| <b>PROFIT BEFORE TAXATION</b>                   | 1,870,062                | -  | 1,870,062            |
| Tax on profit                                   | 492,371                  | -  | 492,371              |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>            | 2,362,433                | -  | 2,362,433            |
| Profit attributable to:<br>Owners of the parent |                          |  | 2,362,433            |

The notes form part of these financial statements