

COMPANY REGISTRATION NUMBER NI028974

**WILLIAMS INDUSTRIAL
SERVICES LIMITED**

**GROUP
FINANCIAL STATEMENTS**

31 MAY 2015

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WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

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WILLIAMS INDUSTRIAL SERVICES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr J Toner Mr J Bell Mr G Caves Mr T Picking
Company secretary	Mr T Picking
Registered office	Units 5 & 7 Hydepark Commercial Centre 10 Hyde Park Road Mallusk BT36 4PY
Auditor	Muir & Addy Chartered Accountants & Statutory Auditor Muir Building 427 Holywood Road Belfast BT4 2LT
Bankers	First Trust Bank 322 Antrim Road Glengormley BT36 5EQ
Solicitors	Cleaver Fulton Rankin 50 Bedford Street Belfast BT2 7FW

WILLIAMS INDUSTRIAL SERVICES LIMITED

STRATEGIC REPORT

YEAR ENDED 31 MAY 2015

BACKGROUND

Williams Industrial Services Group (WIS) consists of Williams Industrial Services Limited and TOT Technical (NI) Limited, servicing the industrial and environmental engineering sector in Northern Ireland and throughout the UK. The Group also includes a dormant company, JRP Inns Limited.

WIS is Northern Ireland's largest provider of process control, automation, instrumentation and industrial engineering solutions. It is privately owned, indigenous to Northern Ireland and has been trading since 1983, currently employing over 150 engineers, technicians and support staff.

REVIEW OF GROUP BUSINESS

WIS has had a busy year with significant growth in turnover to over £26m in sales, although £3.9m of sales are non-profit generating, via joint venture agreements with Evergreen Biogas to gain a foothold in the Renewables market, which has now been attained. WIS has continued to forge strong partnerships with locally based clients such as NI Water, Bombardier Aerospace, Veolia Water, Evergreen Biogas, Michelin and Moy Park and has secured sizeable project awards from Manx Utilities, United Utilities, Dairycrest and Quarrington AD, all of which are in Mainland UK or the Isle of Man. The UK based Utilities work has supplemented the reduction in NI Water spend within the Environmental Engineering division and the Renewables Division successfully tendered for and was awarded its first Anaerobic Digestion (AD) plant in Republic of Ireland (ROI), worth over €1m, which commenced August 2015.

WIS Environmental Engineering division is beginning to develop a customer base outside of Northern Ireland, whilst still remaining committed to providing NI Water and other local clients with technology led engineering solutions to meet their requirements.

WIS Renewables has seen steady growth this financial year, and continues to be the largest contributor to overall turnover, with sales in excess of £12m. This market continues to evolve within Northern Ireland and the Group envisages steady local growth going forward, with further opportunities arising in the ROI and Mainland UK.

WIS Industrial, Automation, Aerospace & Composites (IAAC) has again secured long term framework agreements with global blue chip industrial and aerospace clients and is driving forward into potential new markets within the Agri-food sector and globally with aerospace machinery, in particular within UAE, where the company has just appointed a Middle East representative. This division has performed steadily throughout the year, with focus on continued support for local industry and the identification of global opportunities.

WIS Instrument Sales and Service has continued to provide excellent support to its local customer base, and recent restructuring for growth will enable the calibration teams to provide additional services to a wider local market place.

TOT Technical (NI) Limited performed satisfactorily throughout the year.

WILLIAMS INDUSTRIAL SERVICES LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 MAY 2015

WIS has been engaged in some notable R&D activities throughout the year, primarily within the Renewables and IAAC divisions, culminating in some new developments which if fully realised will result in the award of several major projects in these markets, generating in excess of £20m of additional turnover.

Overall WIS profit generating turnover has remained constant, and even with the costs of restructuring for growth, with new personnel, additional office and workshop space and major investment in IT hardware and software updates, the company has returned a healthy profit.

RISKS & UNCERTAINTIES

There will always be risks and uncertainties within the industry and WIS continues to insist on robust EPC contracts and cash positive payment terms for the renewables projects to mitigate some of those risks. The projects WIS are tendering for and securing outside of Northern Ireland are all with major Utilities companies, therefore there is minimal risk of non-payment and the margins secured are greater than those from NI Water projects of late.

Dependence on a few main clients within Northern Ireland was identified as a risk previously and although that risk is still there, it is less so now with the emergence into the major utilities markets in Mainland UK and beyond, and the success of the Renewables and IAAC divisions, locally and further afield.

An ever present threat is the potential for competitors entering the Northern Irish market. WIS will continue to combat this threat by securing long term framework agreements with many key clients, across all divisions, and by forming exclusive strategic alliances with global equipment suppliers, to provide the best all round offering for clients. This coupled with unrivalled customer technical support should give WIS the competitive advantage to remain ahead of its rivals.

GROUP PERFORMANCE

WIS has performed steadily throughout this financial year. The Group has seen a decrease in spending from several of its key clients, however there has been encouraging growth in some of its newer divisions and emerging markets, which has compensated for the decrease in the more mature markets and has sustained overall turnover and profit margins.

Group turnover has increased by £5,474,470 (27%) to £26,001,155 however reduced gross margins have resulted in a slight decline in gross profit. Net profit before tax for the year was £675,713. The current ratio for WIS has increased to 1.56 and acid test has increased to 1.09, giving the Group a steady platform for the year ahead.

WIS turnover has significantly increased, however as stated previously, not all of those sales are profit generating, with zero profit being taken on civil construction works from Evergreen Biogas, which has enabled the company to establish itself as market leader in Farm Scale AD within Northern Ireland. Currently WIS have secured £22m worth of projects for the 31 May 2016 financial year and are in final stage due diligence negotiations to secure 3 further projects worth £29.5m, over the next 18 months. Therefore, the company has been tasked with meeting a £39m turnover target this year.

WILLIAMS INDUSTRIAL SERVICES LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 MAY 2015

The shareholders and board of directors have confidence in the current management team and the potential for strategic growth identified per division is very encouraging. If fully realised this should translate into sizeable growth in the forthcoming financial year, with exciting projects already signed in renewables and environmental engineering divisions and major prospects on the horizon for the IAAC and sales divisions.

Signed by order of the directors

Mr T Picking
Company Secretary

A handwritten signature in black ink, appearing to be 'T Picking', written in a cursive style.

Approved by the directors on 6 October 2015

WILLIAMS INDUSTRIAL SERVICES LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 MAY 2015

The directors present their report and the group financial statements of the group for the year ended 31 May 2015.

RESULTS AND DIVIDENDS

The profit for the year amounted to £888,719. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

Ultimate responsibility for financial risk management objectives and policies of the company rests with the board. Their principal objectives are to safeguard the company's ability to continue as a going concern and to provide resources to grow the business. Financial risk exposures are managed by the directors and are as follows.

Price risk - The company has minimal exposure to price risk as most contracts are fixed price.

Credit risk - Specific provision is made for all known debts which are deemed irrecoverable, and all cash deposits are with clearing banks in the United Kingdom.

Liquidity risk - The company manages liquidity risk by maintaining adequate cash balances and banking facilities.

Cash flow risk - Actual and forecast cash flows are continually monitored.

DIRECTORS

The directors who served the company during the year and up to the date of this report are listed on page 1.

DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare group financial statements for each financial year. Under that law the directors have elected to prepare the group 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 group 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 year.

In preparing these group financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the group financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

WILLIAMS INDUSTRIAL SERVICES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 MAY 2015

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

PURCHASE OF OWN SHARES

During the year to 31 May 2015, the company purchased 6,903 ordinary A shares from Mr Robert Adamson for £333,333.

On 30 September 2015, the company purchased Mr Robert Adamson's remaining holding of 27,614 ordinary A shares for £1,333,334.

STRATEGIC REPORT

Details of all significant future developments have been included in the Strategic Report.

AUDITOR

Muir & Addy are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
Units 5 & 7
Hydepark Commercial Centre
10 Hyde Park Road
Mallusk
BT36 4PY

Signed by order of the directors



Mr T Picking
Company Secretary

Approved by the directors on 6 October 2015

WILLIAMS INDUSTRIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO
THE SHAREHOLDERS OF
WILLIAMS INDUSTRIAL SERVICES LIMITED



YEAR ENDED 31 MAY 2015

We have audited the group and parent company group financial statements ("the group financial statements") of Williams Industrial Services Limited for the year ended 31 May 2015 which comprise the Group Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, 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 shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 5 to 6, the directors are responsible for the preparation of the group 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 group 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE GROUP FINANCIAL STATEMENTS

A description of the scope of an audit of group financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

OPINION ON GROUP FINANCIAL STATEMENTS

In our opinion the group financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 May 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.

OTHER MATTER

In forming our opinion, which is not modified, TOT Technical (NI) Limited, a wholly owned subsidiary and included in these consolidated accounts, has claimed exemption from the requirements relating to the audit of their accounts under section 479A of the Companies Act 2006. In order for the exemption to take effect the parent company has given an undertaking to guarantee TOT Technical (NI) Limited in respect of all their outstanding liabilities at 31 May 2015. In recognition of the size of that company and that over 60% of its turnover is to Williams Industrial Services Limited, we are satisfied that there is no material misstatement in the group accounts. We consider that this matter should be brought to your attention but our opinion is not modified in this respect.

WILLIAMS INDUSTRIAL SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO
THE SHAREHOLDERS OF
WILLIAMS INDUSTRIAL SERVICES LIMITED *(continued)*



YEAR ENDED 31 MAY 2015

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company group 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.

A handwritten signature in black ink, appearing to read 'Colin Wilson'.

MR COLIN WILSON FCA (Senior Statutory Auditor)
For and on behalf of
MUIR & ADDY
Chartered Accountants & Statutory Auditor

Muir Building
427 Holywood Road
Belfast
BT4 2LT

6 October 2015

WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MAY 2015

	Note	2015 £	2014 £
GROUP TURNOVER	2	26,001,155	20,526,685
Cost of sales		<u>23,065,726</u>	<u>17,508,355</u>
GROSS PROFIT		2,935,429	3,018,330
Administrative expenses		2,242,836	2,112,073
Other operating income	3	<u>(87,569)</u>	<u>(176,684)</u>
OPERATING PROFIT	4	780,162	1,082,941
Interest receivable		16,493	23,933
Interest payable and similar charges	7	<u>(120,942)</u>	<u>(63,454)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		675,713	1,043,420
Tax on profit on ordinary activities	8	<u>(213,006)</u>	<u>220,508</u>
PROFIT FOR THE FINANCIAL YEAR	9	<u>888,719</u>	<u>822,912</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

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

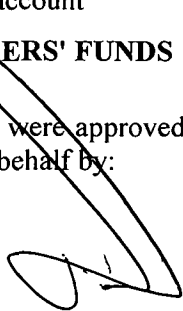
The notes on pages 13 to 30 form part of these group financial statements.

WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP BALANCE SHEET
31 MAY 2015

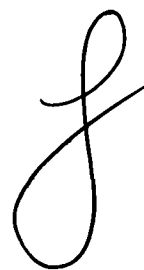
	Note	2015 £	2014 £
FIXED ASSETS			
Intangible assets	10	—	51,586
Tangible assets	11	280,328	351,751
Investments	12	3	6
		<u>280,331</u>	<u>403,343</u>
CURRENT ASSETS			
Stocks	13	3,131,665	3,517,634
Debtors	14	4,019,362	4,488,804
Cash at bank and in hand		3,133,184	3,081,126
		<u>10,284,211</u>	<u>11,087,564</u>
CREDITORS: Amounts falling due within one year	16	<u>6,591,706</u>	<u>7,812,184</u>
NET CURRENT ASSETS		<u>3,692,505</u>	<u>3,275,380</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,972,836</u>	<u>3,678,723</u>
CREDITORS: Amounts falling due after more than one year	17	<u>766,386</u>	<u>1,027,659</u>
		<u>3,206,450</u>	<u>2,651,064</u>
CAPITAL AND RESERVES			
Called-up equity share capital	24	123,864	130,767
Other reserves	25	51,136	44,233
Profit and loss account	25	3,031,450	2,476,064
SHAREHOLDERS' FUNDS	26	<u>3,206,450</u>	<u>2,651,064</u>

These accounts were approved by the directors and authorised for issue on 6 October 2015, and are signed on their behalf by:

Mr J Toner



Mr T Picking



The notes on pages 13 to 30 form part of these group financial statements.

WILLIAMS INDUSTRIAL SERVICES LIMITED

BALANCE SHEET

31 MAY 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Intangible assets	10	—	7,060
Tangible assets	11	217,292	308,809
Investments	12	5	8
		<u>217,297</u>	<u>315,877</u>
CURRENT ASSETS			
Stocks	13	2,973,753	3,313,814
Debtors	14	4,185,714	4,495,550
Cash at bank and in hand		2,940,068	2,904,233
		<u>10,099,535</u>	<u>10,713,597</u>
CREDITORS: Amounts falling due within one year	16	<u>6,057,355</u>	<u>6,956,694</u>
NET CURRENT ASSETS		<u>4,042,180</u>	<u>3,756,903</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,259,477</u>	<u>4,072,780</u>
CREDITORS: Amounts falling due after more than one year	17	<u>766,386</u>	<u>1,027,659</u>
		<u>3,493,091</u>	<u>3,045,121</u>
CAPITAL AND RESERVES			
Called-up equity share capital	24	123,864	130,767
Other reserves	25	51,136	44,233
Profit and loss account	25	3,318,091	2,870,121
SHAREHOLDERS' FUNDS		<u>3,493,091</u>	<u>3,045,121</u>

These accounts were approved by the directors and authorised for issue on 6 October 2015, and are signed on their behalf by:

Mr J Toner

Mr T Picking

Company Registration Number: NI028974

The notes on pages 13 to 30 form part of these group financial statements.

WILLIAMS INDUSTRIAL SERVICES LIMITED
GROUP CASH FLOW STATEMENT
YEAR ENDED 31 MAY 2015

		2015	2014
	Note	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	27	628,475	1,247,139
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	27	(104,449)	(39,521)
TAXATION	27	(193,985)	(258,718)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	27	10,463	(95,333)
ACQUISITIONS AND DISPOSALS	27	3	(6)
CASH INFLOW BEFORE FINANCING		<u>340,507</u>	<u>853,561</u>
FINANCING	27	(583,827)	403,067
(DECREASE)/INCREASE IN CASH	27	<u><u>(243,320)</u></u>	<u><u>1,256,628</u></u>

The notes on pages 13 to 30 form part of these group financial statements.

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES

Basis of accounting

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off. The results of companies acquired or disposed of are included in the group profit and loss account from or up to the date that control passes respectively. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Revenue recognition

Turnover represents the value of goods and services supplied and invoiced during the year and is net of value added tax.

Long term construction contracts

Revenue from long term construction contracts arises from increases in valuations on contracts and is the gross value of work carried out for the year to the balance sheet date. Profits on contracts are calculated in accordance with accounting standards and industry practice. Industry practice is to assess the estimated final out-turn of each contract and recognise the profit based upon the percentage of completion of the contract at the relevant date. Percentage completion is calculated by taking certified value to date as a percentage of estimated final value of the contract. Full provision is made for losses incurred or foreseen in bringing contracts to completion as soon as they become apparent.

Short term contracts

Revenue from short term contracts arises from increases in valuations and is the gross value of work carried out for the year to the balance sheet date. Full provision is made for losses incurred or foreseen in bringing contracts to completion as soon as they become apparent.

Service contracts

Revenue from services is recognised when the service is provided.

Interest income

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate applicable.

Revenue grants

Revenue grants are accounted for as and when they become receivable.

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES *(continued)*

Goodwill

Goodwill on acquisitions is initially included at cost after including the identifiable assets and liabilities of an acquired undertaking at fair value. Where a business is acquired the resulting goodwill is included in the individual balance sheets of the acquiring group company and is written off in equal installments over periods determined by the directors. Acquired goodwill included in the company's individual balance sheet is being written off over 20 years and acquired goodwill included in the balance sheet of TOT Technical (NI) Limited is being written off over 7 years. Where the share capital of a company has been acquired any goodwill on consolidation is capitalised and written off.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - Written off in equal annual instalments as above

Fixed assets investments

Tangible fixed assets are carried at cost less accumulated depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	- 2% Straight line
Plant & Machinery	- 25% Straight line
Fixtures, Fittings & Equipment	- 25% Reducing balance
Motor Vehicles	- 25% Reducing balance
Office Equipment	- 25% Straight line

Stocks

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

Work in progress

Long term construction work in progress is valued at cost plus profit recognised to date less any provision for foreseeable losses and less amounts billed. Short term work in progress is valued using the same method but excludes any element of profit. Cost includes all direct expenditure plus attributable overheads based on normal level of activity. Where cash received from customers exceeds the value of work performed, the amount is included in credit balances on long term contracts.

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES *(continued)*

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the group profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The group operates defined contribution schemes for employees. The assets of the schemes are held separately from those of the group. The annual contributions payable are charged to the group profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. TURNOVER

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the UK and Ireland.

3. OTHER OPERATING INCOME

	2015	2014
	£	£
Sundry income	60,109	9,518
Other operating income	<u>27,460</u>	<u>167,166</u>
	<u>87,569</u>	<u>176,684</u>

4. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015	2014
	£	£
Amortisation of intangible assets	51,586	55,631
Depreciation of owned fixed assets	61,145	75,406
Depreciation of assets held under hire purchase agreements	16,033	9,161
(Profit)/Loss on disposal of fixed assets	(16,218)	4,261
Auditor's remuneration		
- as auditor	10,500	21,550
- for other services	24,600	115,000
Operating lease costs:		
- Other	<u>218,879</u>	<u>114,832</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2015	2014
	No	No
Number of production staff	110	110
Number of administrative staff	5	5
Number of management staff	26	26
	<u>141</u>	<u>141</u>

The aggregate payroll costs of the above were:

	2015	2014
	£	£
Wages and salaries	4,451,631	4,406,649
Social security costs	453,490	449,511
Other pension costs	164,378	190,418
	<u>5,069,499</u>	<u>5,046,578</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015	2014
	£	£
Remuneration receivable	420,631	412,015
Value of company pension contributions to money purchase schemes	53,969	87,228
	<u>474,600</u>	<u>499,243</u>

Remuneration of highest paid director:

	2015	2014
	£	£
Total remuneration (excluding pension contributions)	134,489	123,594
Value of company pension contributions to money purchase schemes	18,155	34,366
	<u>152,644</u>	<u>157,960</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2015	2014
	No	No
Money purchase schemes	<u>4</u>	<u>4</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£	£
Interest payable on bank borrowing	51,846	47,714
Finance charges	2,172	716
Interest on other loans	66,924	12,410
Interest on overdue taxation	—	2,614
	<u>120,942</u>	<u>63,454</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015	2014
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20.83% (2014 - 22.66%)	5,615	193,868
(Over)/under provision in prior year	<u>(132,620)</u>	<u>-</u>
Total current tax	<u>(127,005)</u>	193,868
Deferred tax:		
Origination and reversal of timing differences	<u>(86,001)</u>	<u>26,640</u>
Tax on profit on ordinary activities	<u>(213,006)</u>	<u>220,508</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

8. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.83% (2014 - 22.66%).

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>675,713</u>	<u>1,043,420</u>
Profit on ordinary activities by rate of tax	140,751	236,439
Marginal relief	-	(4,271)
Tax losses brought forward	(1,360)	-
Capital allowances less than / (in excess of) depreciation	(17,482)	(20,387)
Adjustment for items not deductible for tax purposes	2,709	10,922
Tax chargeable at lower rates	(233)	-
Adjustments to tax charge in respect of previous periods	(132,620)	-
Unrelieved tax losses carried forward	102,287	-
Research & development relief claim	(221,057)	-
(Underprovision)/Overprovision	-	(510)
Patent box relief	-	(28,325)
Total current tax (note 8(a))	<u>(127,005)</u>	<u>193,868</u>

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the group financial statements of the parent company was £781,303 (2014 - £1,093,534).

10. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 June 2014 and 31 May 2015	<u>973,803</u>
AMORTISATION	
At 1 June 2014	922,217
Charge for the year	<u>51,586</u>
At 31 May 2015	<u>973,803</u>
NET BOOK VALUE	
At 31 May 2015	-
At 31 May 2014	<u>51,586</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
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10. INTANGIBLE FIXED ASSETS *(continued)*

Company	Goodwill £
COST	
At 1 June 2014 and 31 May 2015	<u>141,200</u>
AMORTISATION	
At 1 June 2014	134,140
Charge for the year	7,060
At 31 May 2015	<u>141,200</u>
NET BOOK VALUE	
At 31 May 2015	—
At 31 May 2014	<u>7,060</u>

11. TANGIBLE FIXED ASSETS

Group	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office equipment £	Total £
COST						
At 1 Jun 2014	95,000	1,516,631	97,320	398,178	143,777	2,250,906
Additions	—	20,500	9,468	18,340	18,279	66,587
Disposals	—	(370,868)	—	(198,627)	(38,660)	(608,155)
At 31 May 2015	<u>95,000</u>	<u>1,166,263</u>	<u>106,788</u>	<u>217,891</u>	<u>123,396</u>	<u>1,709,338</u>
DEPRECIATION						
At 1 Jun 2014	5,700	1,485,881	84,476	211,686	111,412	1,899,155
Charge for the year	1,900	11,858	5,578	38,697	19,145	77,178
On disposals	—	(370,868)	—	(137,795)	(38,660)	(547,323)
At 31 May 2015	<u>7,600</u>	<u>1,126,871</u>	<u>90,054</u>	<u>112,588</u>	<u>91,897</u>	<u>1,429,010</u>
NET BOOK VALUE						
At 31 May 2015	<u>87,400</u>	<u>39,392</u>	<u>16,734</u>	<u>105,303</u>	<u>31,499</u>	<u>280,328</u>
At 31 May 2014	<u>89,300</u>	<u>30,750</u>	<u>12,844</u>	<u>186,492</u>	<u>32,365</u>	<u>351,751</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

11. TANGIBLE FIXED ASSETS *(continued)*

Hire purchase agreements (Group)

Included within the net book value of £280,328 is £48,097 (2014 - £64,130) relating to assets held under hire purchase agreements. The depreciation charged to the group financial statements in the year in respect of such assets amounted to £16,033 (2014 - £9,161).

Company	Freehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office equipment £	Total £
COST						
At 1 Jun 2014	95,000	1,413,434	81,443	371,178	143,777	2,104,832
Additions	–	4,000	9,468	–	18,279	31,747
Disposals	–	(370,868)	–	(198,627)	(38,660)	(608,155)
At 31 May 2015	95,000	1,046,566	90,911	172,551	123,396	1,528,424
DEPRECIATION						
At 1 Jun 2014	5,700	1,407,629	72,911	198,371	111,412	1,796,023
Charge for the year	1,900	3,903	4,500	32,984	19,145	62,432
On disposals	–	(370,868)	–	(137,795)	(38,660)	(547,323)
At 31 May 2015	7,600	1,040,664	77,411	93,560	91,897	1,311,132
NET BOOK VALUE						
At 31 May 2015	87,400	5,902	13,500	78,991	31,499	217,292
At 31 May 2014	89,300	5,805	8,532	172,807	32,365	308,809

Hire purchase agreements (Company)

Included within the net book value of £217,292 is £48,097 (2014 - £64,130) relating to assets held under hire purchase agreements. The depreciation charged to the group financial statements in the year in respect of such assets amounted to £16,033 (2014 - £9,161).

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

12. INVESTMENTS

Group	Total £
COST	
At 1 June 2014	6
Disposals	(3)
At 31 May 2015	<u>3</u>
NET BOOK VALUE	
At 31 May 2015	<u>3</u>
At 31 May 2014	<u>6</u>

Investments are represented by shareholdings in the following three associated undertakings:

Holdcol Limited

Country of incorporation	Northern Ireland
Shares held	1 Ordinary £1 share
Proportion of nominal value shares held	50%
Principle activities	Dormant
Company registration number	NI623424

Holdcol Limited was incorporated on 13 March 2014. Management accounts have not yet been prepared.

Bridge Energy (NI) Limited

Country of incorporation	Northern Ireland
Shares held	255 'A' Ordinary £0.01 shares
Proportion of nominal value shares held	25.50%
Principle activities	Engineering & construction
Company registration number	NI623946

Bridge Energy (NI) Limited was incorporated on 7 April 2014. The company did not trade in the period to 31 May 2015 and management accounts have not yet been prepared.

Company	Group companies £
COST	
At 1 June 2014	8
Disposals	(3)
At 31 May 2015	<u>5</u>
NET BOOK VALUE	
At 31 May 2015	<u>5</u>
At 31 May 2014	<u>8</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

12. INVESTMENTS *(continued)*

Investments are represented by shareholdings in the following:

Associated undertakings

Holdco1 Limited

Country of incorporation	Northern Ireland
Shares held	1 Ordinary £1 share
Proportion of nominal value shares held	50%
Principle activities	Dormant
Company registration number	NI623424

Holdco1 Limited was incorporated on 13 March 2014. Management accounts have not yet been prepared.

Bridge Energy (NI) Limited

Country of incorporation	Northern Ireland
Shares held	255 'A' Ordinary £0.01 shares
Proportion of nominal value shares held	25.50%
Principle activities	Engineering & construction
Company registration number	NI623946

Bridge Energy (NI) Limited was incorporated on 7 April 2014. The company did not trade in the period to 31 May 2015 and management accounts have not yet been prepared.

Subsidiaries

TOT Technical (NI) Limited

Country of incorporation	Northern Ireland
Shares held	1 Ordinary £1 share
Proportion of nominal value shares held	100%
Principle activities	Engineering
Company registration number	NI068839

The above subsidiary is exempt from the requirements relating to the audit of their accounts under section 479A of the Companies Act 2006.

JRP Inns Limited

Country of incorporation	Northern Ireland
Shares held	30,000 Ordinary £1 shares
Proportion of nominal value shares held	100%
Principle activities	Dormant
Company registration number	NI062423

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

13. STOCKS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Stock	104,227	93,649	68,398	60,561
Work in progress	3,027,438	3,423,985	2,905,355	3,253,253
	<u>3,131,665</u>	<u>3,517,634</u>	<u>2,973,753</u>	<u>3,313,814</u>

14. DEBTORS

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	1,985,720	3,768,422	1,820,881	3,648,752
Amounts owed by group undertakings	–	–	326,274	128,236
Amounts owed by undertakings in which the company has a participating interest	1,689,106	591,986	1,689,106	591,986
Corporation tax repayable	123,990	–	129,605	–
Other debtors	6,523	2,697	6,523	2,697
Deferred taxation (Note 15)	158,567	72,566	158,567	72,566
Prepayments and accrued income	55,456	53,133	54,758	51,313
	<u>4,019,362</u>	<u>4,488,804</u>	<u>4,185,714</u>	<u>4,495,550</u>

Specific provision is made for all known debts which are deemed irrecoverable.

15. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Asset brought forward	72,566	99,206	72,566	99,206
Increase/(Decrease) in asset	86,001	(26,640)	86,001	(26,640)
Asset carried forward	<u>158,567</u>	<u>72,566</u>	<u>158,567</u>	<u>72,566</u>

The group's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Group	2015		2014	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of depreciation over taxation allowances	56,280	–	72,566	–
Tax losses available	102,287	–	–	–
	<u>158,567</u>	<u>–</u>	<u>72,566</u>	<u>–</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

15. DEFERRED TAXATION *(continued)*

The company's asset for deferred taxation consists of the tax effect of timing differences in respect of:

Company	2015		2014	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of depreciation over taxation allowances	56,280	-	72,566	-
Tax losses available	102,287	-	-	-
	<u>158,567</u>	<u>-</u>	<u>72,566</u>	<u>-</u>

16. CREDITORS: Amounts falling due within one year

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Unsecured loan	237,032	223,221	237,032	223,221
Bank loans and overdrafts	2,286,710	1,996,970	2,286,710	1,969,418
Payments received on account	966,183	20,997	966,183	20,997
Trade creditors	1,931,714	4,194,615	1,792,958	4,008,682
Hire purchase agreements	24,423	21,817	24,423	21,817
Corporation tax	-	197,000	-	135,000
Other taxation and social security	624,128	602,682	594,076	449,820
Other creditors	361,543	361,543	-	-
Accruals and deferred income	159,973	193,339	155,973	127,739
	<u>6,591,706</u>	<u>7,812,184</u>	<u>6,057,355</u>	<u>6,956,694</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Bank loans and overdrafts	<u>2,286,710</u>	<u>1,996,970</u>	<u>2,286,710</u>	<u>1,969,418</u>

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

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Unsecured loan	753,871	990,859	753,871	990,859
Hire purchase agreements	12,515	36,800	12,515	36,800
	<u>766,386</u>	<u>1,027,659</u>	<u>766,386</u>	<u>1,027,659</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
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18. WHITEROCK CAPITAL PARTNERS

The unsecured loan from Whiterock Capital Partners, totalling £990,903 at 31 May 2015, is repayable by 60 equal instalments of £24,166 per month of which 46 are outstanding at the year end. The interest rate charged is 5.01% above 12 month LIBOR with a minimum rate of 6%. In addition a further charge of 1.70% of the company's annual earnings before interest, tax, depreciation and amortisation (EBITDA) is payable on 1 October each year with the final payment due on 1 October 2018 subject to a maximum total payment of £231,150.

19. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows:

	2015 £	2014 £
Group and Company		
Amounts payable within 1 year	(24,423)	(21,817)
Amounts payable between 1 and 2 years	(12,515)	(21,792)
Amounts payable between 3 and 5 years	-	(15,008)
	<u>(36,938)</u>	<u>(58,617)</u>

20. COMMITMENTS UNDER OPERATING LEASES

At 31 May 2015 the group had annual commitments under non-cancellable operating leases as set out below.

Group	Assets other than Land and buildings	
	2015 £	2014 £
Operating leases which expire:		
Within 1 year	13,674	22,543
Within 2 to 5 years	220,459	103,875
	<u>234,133</u>	<u>126,418</u>

At 31 May 2015 the company had annual commitments under non-cancellable operating leases as set out below.

Company	Assets other than land and buildings	
	2015 £	2014 £
Operating leases which expire:		
Within 1 year	13,674	22,543
Within 2 to 5 years	220,459	103,875
	<u>234,133</u>	<u>126,418</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

21. SECURITY

The First Trust Bank holds as security for any Group borrowings, mortgage debentures incorporating fixed and floating charges over all Group assets.

Mr Robert Adamson held as security, in respect of payment for 27,614 ordinary A shares of £1 each totalling £1,333,334, a debenture incorporating a second fixed and floating charge over all company assets. This debenture ranked behind that of the First Trust Bank. This security was discharged on 30 September 2015 when the company acquired these shares.

22. CONTINGENCIES & GUARANTEES

There are contingent liabilities in respect of the following:

	2015 £	2014 £
a) Contract/Guarantee bonds with the First Trust Bank totalling;	<u>2,713,078</u>	<u>1,823,868</u>
b) A guarantee extended by the company to the Bank of Ireland up to a maximum of £50,000 in respect of provision of banking facilities to JRP Inns Limited, a wholly owned subsidiary.		
c) The members of the company have agreed that TOT Technical (NI) Limited, a wholly owned subsidiary, may claim exemption from audit under section 479A of the Companies Act 2006 for the current year. In order for the exemption to take effect the company has given an undertaking to guarantee TOT Technical (NI) Limited in respect of all its outstanding liabilities at 31 May 2015, at which time TOT Technical (NI) Limited had liabilities of £431,957 and assets of £579,601.		

23. RELATED PARTY TRANSACTIONS

With a pension scheme for the benefit of one director

The company occupies properties and pays rent at the deemed market rate on two properties which are owned by a pension scheme for the benefit of one director and one past director. During the year rent of £77,000 (2014 - £77,000) was paid to the pension scheme.

24. SHARE CAPITAL

Allotted and called up:

	2015 No	£	2014 No	£
Ordinary A shares (2014 - 104,517) fully paid of £1 each	97,614	97,614	104,517	104,517
Ordinary B shares fully paid of £1 each	<u>26,250</u>	<u>26,250</u>	<u>26,250</u>	<u>26,250</u>
	<u>123,864</u>	<u>123,864</u>	<u>130,767</u>	<u>130,767</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

25. RESERVES

Group	Capital redemption reserve £	Profit and loss account £
Balance brought forward	44,233	2,476,064
Profit for the year	—	888,719
Other movements		
Purchase of own ordinary A shares	6,903	(333,333)
Balance carried forward	<u>51,136</u>	<u>3,031,450</u>
Company	Capital redemption reserve £	Profit and loss account £
Balance brought forward	44,233	2,870,121
Profit for the year	—	781,303
Other movements		
Purchase of own ordinary A shares	6,903	(333,333)
Balance carried forward	<u>51,136</u>	<u>3,318,091</u>

26. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Profit for the financial year	888,719	822,912
Purchase of own ordinary shares	(6,903)	(14,152)
Premium on purchase of own ordinary shares	(326,430)	(669,181)
Net addition to shareholders' funds	555,386	139,579
Opening shareholders' funds	2,651,064	2,511,485
Closing shareholders' funds	<u>3,206,450</u>	<u>2,651,064</u>

27. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Operating profit	780,162	1,082,941
Amortisation	51,586	55,631
Depreciation	77,178	84,567
(Profit)/Loss on disposal of fixed assets	(16,218)	4,261
Decrease/(increase) in stocks	385,969	(1,018,194)
Decrease/(increase) in debtors	679,433	(569,400)
(Decrease)/increase in creditors	(1,329,635)	1,607,333
Net cash inflow from operating activities	<u>628,475</u>	<u>1,247,139</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
NOTES TO THE GROUP FINANCIAL STATEMENTS
YEAR ENDED 31 MAY 2015

27. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015	2014
	£	£
Interest received	16,493	23,933
Interest paid	(118,770)	(62,738)
Interest element of hire purchase	(2,172)	(716)
Net cash outflow from returns on investments and servicing of finance	<u>(104,449)</u>	<u>(39,521)</u>

TAXATION

	2015	2014
	£	£
Taxation	<u>(193,985)</u>	<u>(258,718)</u>

CAPITAL EXPENDITURE

	2015	2014
	£	£
Payments to acquire tangible fixed assets	(66,587)	(124,400)
Receipts from sale of fixed assets	77,050	29,067
Net cash inflow/(outflow) from capital expenditure	<u>10,463</u>	<u>(95,333)</u>

ACQUISITIONS AND DISPOSALS

	2015	2014
	£	£
Acquisition of shares in group undertakings	—	(6)
Disposal of shares in group undertakings	3	—
Net cash inflow/(outflow) from acquisitions and disposals	<u>3</u>	<u>(6)</u>

FINANCING

	2015	2014
	£	£
Purchase of own equity shares	(6,903)	(14,152)
Premium on purchase of own equity shares	(326,430)	(669,181)
(Repayment of)/increase in unsecured loan	(223,177)	1,214,080
Repayment of bank loans	(5,638)	(186,297)
Capital element of hire purchase	(21,679)	58,617
Net cash (outflow)/inflow from financing	<u>(583,827)</u>	<u>403,067</u>

WILLIAMS INDUSTRIAL SERVICES LIMITED
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YEAR ENDED 31 MAY 2015

27. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2015 £	2014 £
(Decrease)/increase in cash in the period	(243,320)	1,256,628
Net cash outflow from/(inflow) from unsecured loan	223,177	(1,214,080)
Net cash outflow from bank loans	5,638	186,297
Cash outflow in respect of hire purchase	21,679	(58,617)
	<u>7,174</u>	<u>170,228</u>
Change in net debt	7,174	170,228
Net debt at 1 June 2014	(550,084)	(720,312)
Net debt at 31 May 2015	<u>(542,910)</u>	<u>(550,084)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jun 2014 £	Cash flows £	At 31 May 2015 £
Net cash:			
Cash in hand and at bank	3,081,126	52,058	3,133,184
Overdrafts	(1,991,332)	(295,378)	(2,286,710)
	<u>1,089,794</u>	<u>(243,320)</u>	<u>846,474</u>
Debt:			
Debt due within 1 year	(590,402)	(8,173)	(598,575)
Debt due after 1 year	(990,859)	236,988	(753,871)
Hire purchase agreements	(58,617)	21,679	(36,938)
	<u>(1,639,878)</u>	<u>250,494</u>	<u>(1,389,384)</u>
Net debt	<u>(550,084)</u>	<u>7,174</u>	<u>(542,910)</u>

28. POST BALANCE SHEET EVENTS

On 30 September 2015 the company acquired Mr Robert Adamson's remaining holding of 27,614 ordinary A shares for £1,333,334.