

**GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016**

FOR

BARR + WRAY GROUP LIMITED

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BARR + WRAY GROUP LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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BARR + WRAY GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2016

DIRECTORS:

A A Macdonald
I Montgomerie

SECRETARY:

I Montgomerie

REGISTERED OFFICE:

1 Buccleuch Avenue
Hillington Park
Glasgow
G52 4NR

REGISTERED NUMBER:

SC276252 (Scotland)

AUDITORS:

Consilium Audit Limited
169 West George Street
Glasgow
G2 2LB

BARR + WRAY GROUP LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their strategic report of the Company and the Group for the year ended 30 September 2016.

REVIEW OF BUSINESS

The Group's principal activity is in two distinct markets - "Pools and Spas" and "Process Equipment", where it utilises its core skills in water engineering. Its experience and expertise built up over the past 50 years is combined with state of the art engineering to provide its customers with products and services of the highest quality.

The results for the year to 30 September are in line with the forecasted figures. The directors believe that results for the year are commendable and that the closing order-book at the end of September 2016 provides an opportunity for further future growth.

KEY PERFORMANCE INDICATORS

Gross margin for the year was higher than that for the prior year at 23.1% (2015: 20.0%). The operating margin in the year was 9.2% against 6.5% in 2015. These margins are satisfactory and reflect the continuing profitability and success of the Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors believe the main risk facing the business is the downturn in the global economy. The healthy financial position of the business, its standing as a market leader, the recognised quality of the Group brand and the strong order book at the year end in the directors' opinion significantly mitigates this risk. With the establishment of the subsidiaries in the United Arab Emirates, Barr + Wray FZE, and Hong Kong, Barr & Wray (H.K.) Limited, the directors believe this further mitigates this risk by creating new income streams for the Group.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group finances its operations through its retained profits. Management's objective is to retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due.

Hedge accounting is not used by the Group.

The Group's surplus funds are held primarily in short term fixed rate deposit accounts, which the directors believe gives the Group the flexibility to release cash resources at short notice.

ON BEHALF OF THE BOARD:

.....
I Montgomerie - Secretary

Date:

6/2/17

BARR + WRAY GROUP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their report with the financial statements of the Company and the Group for the year ended 30 September 2016.

PRINCIPAL ACTIVITY

The principal activity of the Group during the year was the provision of water engineering services.

DIVIDENDS

Details of dividends paid are included in notes to the financial statements.

DIRECTORS

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

A A Macdonald
I Montgomerie

Other changes in directors holding office are as follows:

N Macdonald - resigned 20 November 2015

D A M Gunn ceased to be a director after 30 September 2016 but prior to the date of this report.

PURCHASE OF OWN SHARES

The Group purchased 42,500 of its £1 shares on 20 November 2015 for a consideration of £1,267,350. At the time of the purchase this represented 31.0% of the called up share capital.

The Group purchased 2,780 of its £1 shares on 5 April 2016 for a consideration of £114,647. At the time of the purchase this represented 2.9% of the called up share capital.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

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.

BARR + WRAY GROUP LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

AUDITORS

The auditors, Consilium Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
I Montgomerie - Secretary

Date:

6/2/17

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BARR + WRAY GROUP LIMITED**

We have audited the financial statements of Barr + Wray Group Limited for the year ended 30 September 2016 on pages six to thirty. 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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 September 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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.



David Holt (Senior Statutory Auditor)
for and on behalf of Consilium Audit Limited
169 West George Street
Glasgow
G2 2LB

Date: 7/2/17

BARR + WRAY GROUP LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

		2016		2015	
	Notes	£	£	£	£
TURNOVER	3		15,622,975		17,953,234
Cost of sales			<u>12,011,056</u>		<u>14,371,305</u>
GROSS PROFIT			3,611,919		3,581,929
Administrative expenses			<u>2,171,559</u>		<u>2,420,074</u>
OPERATING PROFIT	5		1,440,360		1,161,855
Interest receivable and similar income	6	5,536		6,706	
Other finance income	23	10,000		5,000	
Interest payable and similar charges	7	<u>(3,106)</u>		<u>(9,731)</u>	
			<u>12,430</u>		<u>1,975</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,452,790		1,163,830
Tax on profit on ordinary activities	8		<u>222,711</u>		<u>245,102</u>
PROFIT FOR THE FINANCIAL YEAR			<u>1,230,079</u>		<u>918,728</u>
Profit attributable to:					
Owners of the parent			<u>1,230,079</u>		<u>918,728</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED
CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
PROFIT FOR THE YEAR		1,230,079	918,728
OTHER COMPREHENSIVE (LOSS)/INCOME			
Actuarial (loss)/gain on pension scheme	23	(604,000)	109,000
Foreign exchange reserve movement		(158,745)	(62,533)
Premium on repurchase of own shares	21	(1,336,717)	-
Income tax relating to components of other comprehensive (loss)/income	8	<u>120,800</u>	<u>(21,800)</u>
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(1,978,662)</u>	<u>24,667</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(748,583)</u>	<u>943,395</u>
Total comprehensive (loss)/income attributable to: Owners of the parent		<u>(748,583)</u>	<u>943,395</u>

The notes form part of these financial statements

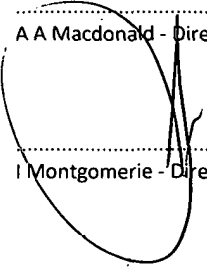
BARR + WRAY GROUP LIMITED (REGISTERED NUMBER: SC276252)

CONSOLIDATED BALANCE SHEET
30 SEPTEMBER 2016

		2016		2015	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	11		30,204		30,173
Tangible assets	12		2,058,278		2,096,668
Investments	13		-		-
			<u>2,088,482</u>		<u>2,126,841</u>
CURRENT ASSETS					
Stocks	14	410,381		519,755	
Debtors	15	5,447,477		5,543,556	
Cash at bank and in hand		<u>3,639,325</u>		<u>4,102,043</u>	
		9,497,183		10,165,354	
CREDITORS					
Amounts falling due within one year	16	<u>8,346,412</u>		<u>8,585,500</u>	
NET CURRENT ASSETS			<u>1,150,771</u>		<u>1,579,854</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,239,253		3,706,695
PROVISIONS FOR LIABILITIES	20		(115,562)		(235,293)
PENSION (LIABILITY)/ASSET	23		<u>(332,000)</u>		<u>256,000</u>
NET ASSETS			<u><u>2,791,691</u></u>		<u><u>3,727,402</u></u>
CAPITAL AND RESERVES					
Called up share capital	21		91,785		137,065
Capital redemption reserve	22		108,215		62,935
Other reserves	22		(178,291)		(19,546)
Retained earnings	22		<u>2,769,982</u>		<u>3,546,948</u>
SHAREHOLDERS' FUNDS			<u><u>2,791,691</u></u>		<u><u>3,727,402</u></u>

The financial statements were approved by the Board of Directors on 6/2/17 and were signed on its behalf by:


A A Macdonald - Director


I Montgomerie - Director

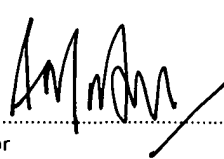
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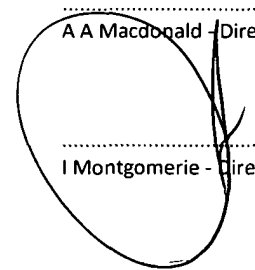
BARR + WRAY GROUP LIMITED (REGISTERED NUMBER: SC276252)

COMPANY BALANCE SHEET
30 SEPTEMBER 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Intangible assets	11	-	-
Tangible assets	12	-	-
Investments	13	<u>771,799</u>	<u>771,799</u>
		771,799	771,799
CREDITORS			
Amounts falling due within one year	16	<u>571,799</u>	<u>571,799</u>
NET CURRENT LIABILITIES		<u>(571,799)</u>	<u>(571,799)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>200,000</u>	<u>200,000</u>
CAPITAL AND RESERVES			
Called up share capital	22	91,785	137,065
Capital redemption reserve	23	<u>108,215</u>	<u>62,935</u>
SHAREHOLDERS' FUNDS		<u>200,000</u>	<u>200,000</u>

The financial statements were approved by the Board of Directors on 6/2/17 and were signed on its behalf by:


A A Macdonald - Director


I Montgomerie - Director

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 October 2014	137,065	2,678,085	62,935	42,987	2,921,072
Changes in equity					
Profit for year	-	918,728	-	-	918,728
Actuarial gains/(losses) on pension scheme	-	109,000	-	-	109,000
Movement on deferred tax relating to pension asset	-	(21,800)	-	-	(21,800)
Foreign exchange reserve movement	-	-	-	(62,533)	(62,533)
Dividends	-	(137,065)	-	-	(137,065)
Balance at 30 September 2015	<u>137,065</u>	<u>3,546,948</u>	<u>62,935</u>	<u>(19,546)</u>	<u>3,727,402</u>
Changes in equity					
Profit for year	-	1,230,079	-	-	1,230,079
Repurchase of share capital	(45,280)	(1,381,997)	45,280	-	(1,381,997)
Actuarial gains/(losses) on pension scheme	-	(604,000)	-	-	(604,000)
Movement on deferred tax relating to pension liability	-	120,800	-	-	120,800
Foreign exchange reserve movement	-	-	-	(158,745)	(158,745)
Dividends	-	(141,848)	-	-	(141,848)
Balance at 30 September 2016	<u>91,785</u>	<u>2,769,982</u>	<u>108,215</u>	<u>(178,291)</u>	<u>2,791,691</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 October 2014	137,065	-	62,935	200,000
Changes in equity				
Dividends	-	(137,065)	-	(137,065)
Total comprehensive income	-	137,065	-	137,065
Balance at 30 September 2015	<u>137,065</u>	<u>-</u>	<u>62,935</u>	<u>200,000</u>
Changes in equity				
Issue of share capital	(45,280)	-	-	(45,280)
Dividends	-	(141,848)	-	(141,848)
Total comprehensive income	-	141,848	45,280	187,128
Balance at 30 September 2016	<u>91,785</u>	<u>-</u>	<u>108,215</u>	<u>200,000</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	26	1,829,992	1,666,266
Interest paid		(3,106)	(9,731)
Tax paid		<u>(233,554)</u>	<u>(304,759)</u>
Net cash from operating activities		<u>1,593,332</u>	<u>1,351,776</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(281,688)	(139,094)
Sale of tangible fixed assets		125,360	-
Interest received		<u>5,536</u>	<u>6,706</u>
Net cash from investing activities		<u>(150,792)</u>	<u>(132,388)</u>
Cash flows from financing activities			
Loan repayments in year		(211,164)	(205,691)
Share buyback		(1,381,997)	-
Equity dividends paid		<u>(141,848)</u>	<u>(137,065)</u>
Net cash from financing activities		<u>(1,735,009)</u>	<u>(342,756)</u>
(Decrease)/increase in cash and cash equivalents		(292,469)	876,632
Cash and cash equivalents at beginning of year	27	4,102,043	3,199,533
Effect of foreign exchange rate changes		<u>(170,249)</u>	<u>25,878</u>
Cash and cash equivalents at end of year	27	<u>3,639,325</u>	<u>4,102,043</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. COMPANY INFORMATION

Barr + Wray Group Limited is a private company limited by shares and is incorporated and domiciled in Scotland. The address of its registered office is 1 Buccleuch Avenue, Hillington Park, Glasgow, G52 4NR.

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.

Information on the impact of first-time adoption of FRS 102 is given in note 28.

Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. In preparing the financial statements the directors have made the following judgements:

- Determine whether leases entered into by the Group as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed credit terms.
- Determine whether contract revenue and contract costs have been estimated and recognised according to the concepts of prudence and realisation of profits.
- The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

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 over a period of ten years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates of amounts not invoiced, net of Value Added Tax. The value of work done in respect of long term contracts and contracts for ongoing services is determined by reference to the stage of completion.

In respect of goods sold during the year turnover represents sales price, less returns received, exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product have been transferred to the customer.

Goodwill and amortisation

Goodwill is stated at cost less accumulated amortisation and any impairment in value. Cost is the difference between the fair value of the consideration paid on the acquisition of a business and the fair value of the separable net assets required. Amortisation is calculated to write off the cost of goodwill on a straight-line basis over its estimated useful life up to a maximum of 10 years. The impact of the first year adoption of FRS102 in this area is detailed in note 28.

The carrying value of goodwill is reviewed by the directors annually for any impairment.

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Heritable property	- 2% straight line and 4% straight line
Tools and equipment	- 20% straight line
Office furniture and equipment	- 10% to 25% straight line

Tangible fixed assets are stated at valuation or cost less depreciation.

Cost represents purchase price together with any incidental costs of acquisition.

Revalued assets which are held at fair value in the financial statements are reviewed annually by the directors.

Surpluses or deficits on revaluations are charged to the income statement and an equivalent transfer is made to or from the revaluation reserve,

Stocks

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

Cost is calculated using the first-in first-out method and includes the normal cost of transporting stock to its present location and condition.

Work in progress

Work in progress is valued on the basis of direct material and labour costs plus attributable overheads based on a normal level of activity.

For long term contracts, profit is recognised by reference to the stage of completion of each contract where there is reasonable certainty that the contract will be profitable. Where the outcome of the contract cannot be established with reasonable certainty, no profit is recognised. Foreseeable losses are provided for in full at the point at which the loss is anticipated.

Where amounts invoiced exceed the value of work done, the excess is accounted for as payments received on account and is included within creditors. Where the value of work done exceeds the amounts invoiced, the excess is accounted for as amounts recoverable on contracts and is included within debtors.

Deferred tax

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 tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Deferred tax is measured on a non-discounted basis at the average 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.

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.

Operating leases

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The Group operates three pension schemes; one defined benefit and two defined contribution schemes. For the defined benefit scheme, the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the income statement if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and loss are recognised immediately in other comprehensive income.

Defined benefit schemes are funded with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at an AA corporate bond rate. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset (to the extent that it can be recovered) or liability is presented separately after other net assets on the face of the balance sheet. The contributions are determined by a qualified actuary on the basis of triennial valuations.

The defined benefit pension scheme was closed to future accrual with effect from 30 September 2006.

For defined contribution schemes, the amount charged to the income statement in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Fixed asset investments

Investments are stated at cost less provision for any diminution of value, if such reduction is deemed to be of a permanent nature.

Deferred government grants

Deferred government grants in respect of capital and personnel expenditure are treated as deferred income and credited to the profit and loss account over the estimated useful life of the assets or employment period to which they relate. The assets estimated useful life is deemed to be 50 years whilst the average employment length is 5 years.

3. TURNOVER

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

The directors have chosen not to disclose further information on the Group's turnover on the basis that they consider it seriously prejudicial to the interests of the Group.

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

4. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	3,769,769	3,592,226
Social security costs	274,040	304,694
Other pension costs	<u>95,224</u>	<u>125,979</u>
	<u>4,139,033</u>	<u>4,022,899</u>

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

	2016	2015
Production	51	50
Administration, sales and distribution	<u>60</u>	<u>59</u>
	<u>111</u>	<u>109</u>

Other pension costs are amounts charged to operating profit and do not include amounts credited to finance income and amounts recognised in other comprehensive income in respect of the defined benefit pension scheme.

5. OPERATING PROFIT

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

	2016	2015
	£	£
Other operating leases	259,093	251,988
Depreciation - owned assets	215,879	201,226
Profit on disposal of fixed assets	(13,617)	-
Goodwill amortisation	3,929	3,650
Auditors' remuneration	18,500	17,000
Foreign exchange differences	(468,974)	(79,499)
Amortisation of government grants	<u>(1,988)</u>	<u>(14,487)</u>
Directors' remuneration	339,701	317,573
Directors' pension contributions to money purchase schemes	<u>22,920</u>	<u>22,693</u>

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

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

Information regarding the highest paid director is as follows:

	2016	2015
	£	£
Emoluments etc	170,400	150,381
Pension contributions to money purchase schemes	<u>5,236</u>	<u>5,184</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016	2015
	£	£
Bank interest receivable	<u>5,536</u>	<u>6,706</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2016	2015
	£	£
Bank interest	<u>3,106</u>	<u>9,731</u>

8. TAXATION

Analysis of the tax charge

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

	2016	2015
	£	£
Current tax:		
UK corporation tax	219,874	257,194
Over provision in prior years	<u>(220)</u>	<u>(23,419)</u>
Total current tax	<u>219,654</u>	<u>233,775</u>
Deferred tax:		
Origination and reversal of timing differences	(143)	6,707
Deferred tax relating to defined benefit pension scheme	<u>3,200</u>	<u>4,620</u>
Total deferred tax	<u>3,057</u>	<u>11,327</u>
Tax on profit on ordinary activities	<u>222,711</u>	<u>245,102</u>

Reconciliation of total tax charge 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	2015
	£	£
Profit on ordinary activities before tax	<u>1,452,790</u>	<u>1,163,830</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	290,558	244,404
Effects of:		
Expenses not deductible for tax purposes	757	106
Income not taxable for tax purposes	(398)	(416)
Utilisation of tax losses	(79,086)	25,139
Adjustments to tax charge in respect of previous periods	(220)	(23,419)
Tax chargeable at lower rates	-	(6,291)
Effect of movement in defined benefit pension scheme liability	-	(1,470)
Non-qualifying depreciation charge	11,100	11,655
Deferred tax provided at lower rates	<u>-</u>	<u>(4,606)</u>
Total tax charge	<u>222,711</u>	<u>245,102</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

8. TAXATION - continued

Tax effects relating to effects of other comprehensive income

	Gross £	2016 Tax £	Net £
Actuarial loss on pension scheme	(604,000)	120,800	(483,200)
Foreign exchange reserve movement	(158,745)	-	(158,745)
Premium on repurchase of own shares	<u>(1,336,717)</u>	<u>-</u>	<u>(1,336,717)</u>
	<u>(2,099,462)</u>	<u>120,800</u>	<u>(1,978,662)</u>

	Gross £	2015 Tax £	Net £
Actuarial gain on pension scheme	109,000	(21,800)	87,200
Foreign exchange reserve movement	<u>(62,533)</u>	<u>-</u>	<u>(62,533)</u>
	<u>46,467</u>	<u>(21,800)</u>	<u>24,667</u>

9. PROFIT OF PARENT COMPANY

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. The parent company's profit for the financial year was £1,523,845 (2015 - £137,065).

10. DIVIDENDS

	2016 £	2015 £
Ordinary shares of £1 each Paid in year	<u>141,848</u>	<u>137,065</u>

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 October 2015	664,170
Exchange differences	<u>5,433</u>
At 30 September 2016	<u>669,603</u>
AMORTISATION	
At 1 October 2015	633,997
Amortisation for year	3,929
Exchange differences	<u>1,473</u>
At 30 September 2016	<u>639,399</u>
NET BOOK VALUE	
At 30 September 2016	<u>30,204</u>
At 30 September 2015	<u>30,173</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

11. INTANGIBLE FIXED ASSETS - continued

Group

Goodwill arising on acquisitions is amortised over a period of 10 years.

12. TANGIBLE FIXED ASSETS

Group

	Heritable property £	Tools and equipment £	Motor vehicles £	Office furniture and equipment £	Totals £
COST					
At 1 October 2015	1,998,404	126,633	268,113	1,305,958	3,699,108
Additions	-	7,479	172,289	101,920	281,688
Disposals	(91,500)	-	(145,781)	-	(237,281)
Exchange differences	-	(495)	2,513	(11,162)	(9,144)
	<u>1,906,904</u>	<u>133,617</u>	<u>297,134</u>	<u>1,396,716</u>	<u>3,734,371</u>
At 30 September 2016					
DEPRECIATION					
At 1 October 2015	400,451	110,787	201,913	889,289	1,602,440
Charge for year	59,832	6,315	56,923	92,809	215,879
Eliminated on disposal	-	-	(125,538)	-	(125,538)
Exchange differences	-	(497)	(1,975)	(14,216)	(16,688)
	<u>460,283</u>	<u>116,605</u>	<u>131,323</u>	<u>967,882</u>	<u>1,676,093</u>
At 30 September 2016					
NET BOOK VALUE					
At 30 September 2016	<u>1,446,621</u>	<u>17,012</u>	<u>165,811</u>	<u>428,834</u>	<u>2,058,278</u>
At 30 September 2015	<u>1,597,953</u>	<u>15,846</u>	<u>66,200</u>	<u>416,669</u>	<u>2,096,668</u>

The Group's heritable properties have been valued by the directors as at 30 September 2016 and they are satisfied that this valuation is appropriately included in the financial statements.

No corporation tax would arise if the property was disposed of at its revalued amount.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are the same as above.

13. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 October 2015 and 30 September 2016	<u>771,799</u>
NET BOOK VALUE	
At 30 September 2016	<u>771,799</u>
At 30 September 2015	<u>771,799</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

13. FIXED ASSET INVESTMENTS - continued

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

Subsidiaries

Barr + Wray Holdings Limited

Nature of business: Intermediate holding company

	%
Class of shares:	holding
Ordinary shares	100.00

Barr + Wray Limited (sub-subsidiary)

Nature of business: Provision of water engineering services

	%
Class of shares:	holding
Ordinary shares	100.00

Barr + Wray FZE (sub-subsidiary)

Country of incorporation: Dubai, United Arab Emirates

Nature of business: Provision of water engineering services

	%
Class of shares:	holding
Ordinary shares	100.00

Barr & Wray (H.K.) Limited (sub-subsidiary)

Country of incorporation: Hong Kong

Nature of business: Provision of water engineering services

	%
Class of shares:	holding
Ordinary shares	100.00

All subsidiaries are included in the consolidated financial statements and have an accounting reference date of 30 September.

14. STOCKS

	Group	
	2016	2015
	£	£
Raw materials	58,972	61,725
Work-in-progress	<u>351,409</u>	<u>458,030</u>
	<u><u>410,381</u></u>	<u><u>519,755</u></u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2016	2015
	£	£
Trade debtors	2,311,371	1,709,801
Amounts recoverable on contracts	2,802,773	3,598,499
Other debtors	249,192	173,999
Prepayments and accrued income	<u>84,141</u>	<u>61,257</u>
	<u><u>5,447,477</u></u>	<u><u>5,543,556</u></u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Bank loans and overdrafts (see note 17)	-	211,164	-	-
Payments on account	2,065,590	1,341,042	-	-
Trade creditors	1,581,461	2,699,663	-	-
Amounts owed to group undertakings	-	-	571,799	571,799
Tax	119,875	133,775	-	-
Social security and other taxes	79,207	89,822	-	-
VAT	225,152	129,903	-	-
Other creditors	69,851	31,885	-	-
Accruals and deferred income	765,501	715,022	-	-
Contract accruals	3,439,775	3,233,224	-	-
	<u>8,346,412</u>	<u>8,585,500</u>	<u>571,799</u>	<u>571,799</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>-</u>	<u>211,164</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group		Non-cancellable operating leases	
		2016	2015
		£	£
Within one year		186,166	194,412
Between one and five years		<u>241,481</u>	<u>260,343</u>
		<u>427,647</u>	<u>454,755</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

19. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2016	2015
	£	£
Bank loans	<u>-</u>	<u>211,164</u>

20. PROVISIONS FOR LIABILITIES

	Group	
	2016	2015
	£	£
Deferred tax		
Accelerated capital allowances	96,487	96,630
Other timing differences	<u>(66,400)</u>	<u>51,200</u>
	<u>30,087</u>	<u>147,830</u>
Other provisions		
Deferred government grants	<u>85,475</u>	<u>87,463</u>
Aggregate amounts	<u>115,562</u>	<u>235,293</u>
Group		
	Deferred tax	Government Grants
	£	£
Balance at 1 October 2015	147,830	87,463
Credit to Income Statement during year	3,057	(1,988)
Defined benefit pension scheme	<u>(120,800)</u>	<u>-</u>
Balance at 30 September 2016	<u>30,087</u>	<u>85,475</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
91,785	Ordinary	£1	<u>91,785</u>	<u>137,065</u>

PURCHASE OF SHARES

The Group purchased 42,500 of its £1 shares on 20 November 2015 for a consideration of £1,267,350. At the time of the purchase this represented 31.0% of the called up share capital.

The Group purchased 2,780 of its £1 shares on 5 April 2016 for a consideration of £114,647. At the time of the purchase this represented 2.9% of the called up share capital.

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

22. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Other reserves £	Totals £
At 1 October 2015	3,546,948	62,935	(19,546)	3,590,337
Profit for the year	1,230,079	-	-	1,230,079
Dividends	(141,848)	-	-	(141,848)
Purchase of own shares	(1,381,997)	45,280	-	(1,336,717)
Exchange rate differences arising on consolidation	-	-	(158,745)	(158,745)
Defined benefit pension scheme	(604,000)	-	-	(604,000)
Related mvt in deferred tax	120,800	-	-	120,800
At 30 September 2016	<u>2,769,982</u>	<u>108,215</u>	<u>(178,291)</u>	<u>2,699,906</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2015	-	62,935	62,935
Profit for the year	1,523,845	-	1,523,845
Dividends	(141,848)	-	(141,848)
Purchase of own shares	<u>(1,381,997)</u>	<u>45,280</u>	<u>(1,336,717)</u>
At 30 September 2016	<u>-</u>	<u>108,215</u>	<u>108,215</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

The Group operates a pension scheme for certain employees providing benefits based on final pensionable pay. The scheme closed to further accrual in September 2006. The scheme is a funded scheme.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Present value of funded obligations	(9,699,000)	(8,134,000)
Fair value of plan assets	<u>9,367,000</u>	<u>8,390,000</u>
	(332,000)	256,000
Present value of unfunded obligations	<u>-</u>	<u>-</u>
(Deficit)/Surplus	<u>(332,000)</u>	<u>256,000</u>
Net (liability)/asset	<u>(332,000)</u>	<u>256,000</u>

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	(10,000)	(5,000)
Past service cost	-	-
	<u>(10,000)</u>	<u>(5,000)</u>
 Actual return on plan assets	 <u>1,435,000</u>	 <u>385,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Opening defined benefit obligation	8,134,000	8,128,000
Interest cost	300,000	340,000
Actuarial (gains)/losses	1,729,000	(69,000)
Benefits paid	<u>(464,000)</u>	<u>(265,000)</u>
	<u>9,699,000</u>	<u>8,134,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Opening fair value of scheme assets	8,390,000	8,246,000
Contributions by employer	6,000	24,000
Interest income	310,000	345,000
Return on scheme assets	1,125,000	40,000
Benefits paid	<u>(464,000)</u>	<u>(265,000)</u>
	<u>9,367,000</u>	<u>8,390,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Actuarial (losses)/gains	(604,000)	109,000
Movement on deferred tax relating to pension	<u>120,800</u>	<u>(21,800)</u>
	<u>(483,200)</u>	<u>87,200</u>

BARR + WRAY GROUP LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016****23. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Equities	3,257,800	2,768,700
Bonds	2,986,300	2,600,900
Cash	<u>3,122,900</u>	<u>3,020,400</u>
	<u>9,367,000</u>	<u>8,390,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate	2.40%	3.80%
Rate of increase in deferred pensions	2.00%	2.20%
Rate of increase in pensions in payment	3.00%	3.20%

The corporate bond yields typically used to value pension scheme liabilities in FRS102 valuations in 2016 were at their lowest during the third quarter of 2016. If the FRS102 valuation of the Barr & Wray Group Limited scheme at 30 September 2016 used the higher corporate bond yields evident in the fourth quarter of 2016, namely 2.8%, the funding position of the scheme would be reporting a surplus of £276,000 rather than the deficit of £332,000 currently shown in the financial statements.

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

25. ULTIMATE CONTROLLING PARTY

Until 16 December 2016, the Group was under the control of the shareholders and no individual had a controlling interest. From 16 December 2016, A A MacDonald is regarded as being the ultimate controlling party.

BARR + WRAY GROUP LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

26. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2016	2015
	£	£
Profit before taxation	1,452,790	1,163,830
Depreciation charges	215,879	201,226
Profit on disposal of fixed assets	(13,617)	-
Amortisation of goodwill	3,929	3,650
Employer defined benefit pension contributions	(6,000)	(24,000)
Government grants	(1,988)	(14,487)
Finance costs	3,106	9,731
Finance income	<u>(15,536)</u>	<u>(11,706)</u>
	1,638,563	1,328,244
Decrease/(increase) in stocks	109,374	(42,062)
Decrease/(increase) in trade and other debtors	96,079	(1,512,042)
(Decrease)/increase in trade and other creditors	<u>(14,024)</u>	<u>1,892,126</u>
Cash generated from operations	<u>1,829,992</u>	<u>1,666,266</u>

27. 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 30 September 2016

	30/9/16	1/10/15
	£	£
Cash and cash equivalents	<u>3,639,325</u>	<u>4,102,043</u>

Year ended 30 September 2015

	30/9/15	1/10/14
	£	£
Cash and cash equivalents	<u>4,102,043</u>	<u>3,199,533</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

28. **FIRST YEAR ADOPTION**

These financial statements are the first financial statements of the Group to have been prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The transition date for FRS 102 reporting is 1 October 2014. The accounting policies applied under the Group's previous accounting framework (UK GAAP) are different to those under FRS 102 and the financial statements have been adjusted to reflect the change in policy. Set out below is the change to the Group's accounting policies:

A - Defined benefit pension schemes

Under previous UK GAAP the measurement of the net finance cost was based on determining the yield on scheme assets and applying a discount rate to scheme liabilities. Under FRS 102, the finance cost is derived by applying the discount rate to the net scheme liabilities.

As a result of the above change, for the year to 30 September 2015, finance costs in the income statement were increased by £167,000. Consequently, the actuarial loss of £58,000 was reduced by £167,000 resulting in an actuarial gain of £109,000 in other comprehensive income. Overall, net profit at 30 September 2016 was reduced by £167,000 however the overall effect on total comprehensive income for the year was £nil.

In addition, under previous UK GAAP the defined benefit pension asset/liability could be shown on the balance sheet net of the related deferred tax movement. Under FRS102, the deferred tax asset/liability must be included within provisions for liabilities along with other deferred tax and short term timing differences. At the date of transition, this resulted in an increase of £24,780 in the pension asset as well as provisions for liabilities. The overall effect on net assets was £nil. Similarly, at 30 September 2015, this change resulted in an increase of £51,200 in the pension asset as well as provisions for liabilities. The overall effect on net assets was £nil.

B - Goodwill

The Group has retrospectively applied section 19 of FRS102 to the goodwill recognised in its balance sheet at the date of transition and reduced the useful life of goodwill from 20 years to 10 years. At the date of transition this meant goodwill arising on consolidation was fully amortised and this adjustment resulted in a reduction to both goodwill and retained earnings of £321,056.

As a result of the above adjustment, the goodwill charge previously included in the year to 30 September 2015 of £31,323 was reversed.

The impact on equity and profit is shown on pages 28, 29 and 30.

BARR + WRAY GROUP LIMITED
RECONCILIATION OF EQUITY
1 OCTOBER 2014
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	28-B	352,808	(321,056)	31,752
Tangible assets		<u>2,150,068</u>	<u>-</u>	<u>2,150,068</u>
		<u>2,502,876</u>	<u>(321,056)</u>	<u>2,181,820</u>
CURRENT ASSETS				
Stocks		455,836	-	455,836
Debtors		3,946,551	-	3,946,551
Cash at bank and in hand		<u>3,199,533</u>	<u>-</u>	<u>3,199,533</u>
		<u>7,601,920</u>	<u>-</u>	<u>7,601,920</u>
CREDITORS				
Amounts falling due within one year		<u>(6,552,902)</u>	<u>-</u>	<u>(6,552,902)</u>
NET CURRENT ASSETS		<u>1,049,018</u>	<u>-</u>	<u>1,049,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,551,894	(321,056)	3,230,838
CREDITORS				
Amounts falling due after more than one year		(211,113)	-	(211,113)
PROVISIONS FOR LIABILITIES	28-A	(191,873)	(24,780)	(216,653)
PENSION ASSET	28-A	<u>93,220</u>	<u>24,780</u>	<u>118,000</u>
NET ASSETS		<u>3,242,128</u>	<u>(321,056)</u>	<u>2,921,072</u>
CAPITAL AND RESERVES				
Called up share capital		137,065	-	137,065
Capital redemption reserve		62,935	-	62,935
Other reserves		42,987	-	42,987
Retained earnings	28-B	<u>2,999,141</u>	<u>(321,056)</u>	<u>2,678,085</u>
SHAREHOLDERS' FUNDS		<u>3,242,128</u>	<u>(321,056)</u>	<u>2,921,072</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED
RECONCILIATION OF EQUITY - continued
30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets	28-B	319,906	(289,733)	30,173
Tangible assets		<u>2,096,668</u>	<u>-</u>	<u>2,096,668</u>
		<u>2,416,574</u>	<u>(289,733)</u>	<u>2,126,841</u>
CURRENT ASSETS				
Stocks		519,755	-	519,755
Debtors		5,543,556	-	5,543,556
Cash at bank and in hand		<u>4,102,043</u>	<u>-</u>	<u>4,102,043</u>
		<u>10,165,354</u>	<u>-</u>	<u>10,165,354</u>
CREDITORS				
Amounts falling due within one year		<u>(8,585,500)</u>	<u>-</u>	<u>(8,585,500)</u>
NET CURRENT ASSETS		<u>1,579,854</u>	<u>-</u>	<u>1,579,854</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,996,428	(289,733)	3,706,695
PROVISIONS FOR LIABILITIES	28-A	(184,093)	(51,200)	(235,293)
PENSION ASSET	28-A	<u>204,800</u>	<u>51,200</u>	<u>256,000</u>
NET ASSETS		<u>4,017,135</u>	<u>(289,733)</u>	<u>3,727,402</u>
CAPITAL AND RESERVES				
Called up share capital		137,065	-	137,065
Capital redemption reserve		62,935	-	62,935
Other reserves		(19,546)	-	(19,546)
Retained earnings	28-B	<u>3,836,681</u>	<u>(289,733)</u>	<u>3,546,948</u>
SHAREHOLDERS' FUNDS		<u>4,017,135</u>	<u>(289,733)</u>	<u>3,727,402</u>

The notes form part of these financial statements

BARR + WRAY GROUP LIMITED
RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER		17,953,234	-	17,953,234
Cost of sales		<u>(14,371,305)</u>	<u>-</u>	<u>(14,371,305)</u>
GROSS PROFIT		3,581,929	-	3,581,929
Administrative expenses	28-B	<u>(2,451,397)</u>	<u>31,323</u>	<u>(2,420,074)</u>
OPERATING PROFIT		1,130,532	31,323	1,161,855
Interest receivable and similar income		6,706	-	6,706
Other finance income	28-A	172,000	(167,000)	5,000
Interest payable and similar charges		<u>(9,731)</u>	<u>-</u>	<u>(9,731)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,299,507	(135,677)	1,163,830
Tax on profit on ordinary activities	28-A	<u>(278,502)</u>	<u>33,400</u>	<u>(245,102)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>1,021,005</u>	<u>(102,277)</u>	<u>918,728</u>
Profit attributable to:				
Owners of the parent				<u>918,728</u>

The notes form part of these financial statements