

REGISTERED NUMBER: SC278348 (Scotland)

Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 October 2014
for
3DReid Limited

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3DReid Limited (Registered number: SC278348)

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for the Year Ended 31 October 2014**

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3DReid Limited

Company Information
for the Year Ended 31 October 2014

DIRECTORS:

M Anders
D J Burrows
G Ferrier
R.C. Graham-Marr
C. A. MacDonald
M H Taylor
G.B. Turnbull

SECRETARY:

CMS Cameron McKenna LLP

REGISTERED OFFICE:

20 Castle Terrace
EDINBURGH
EH1 2EN

REGISTERED NUMBER:

SC278348 (Scotland)

AUDITORS:

McLay McAlister & McGibbon LLP
Chartered Accountants and Statutory Auditors
145 St Vincent Street
Glasgow
G2 5JF

3DReid Limited (Registered number: SC278348)

Group Strategic Report
for the Year Ended 31 October 2014

The directors present their strategic report of the company and the group for the year ended 31 October 2014.

REVIEW OF BUSINESS

The restructuring of the business has placed significant emphasis on training, employee development and senior management empowerment. This has resulted in greater ownership and responsibility accepted by the senior management team ensuring that costs are monitored and controlled more accurately, new and repeat business secured strengthening market share, thus yielding margins which have contributed towards the company's strategic financial performance objectives.

The directors have taken the strategic decision to cease trading and close operations in all of 3DReid's international businesses and concentrate solely on its UK business activities. Although still working overseas, all work is being delivered by the UK business. The sale of the Malaysian / Asia business to the local management team will result in an immediate injection of cash into the business in 2015 which will improve the group's liquidity.

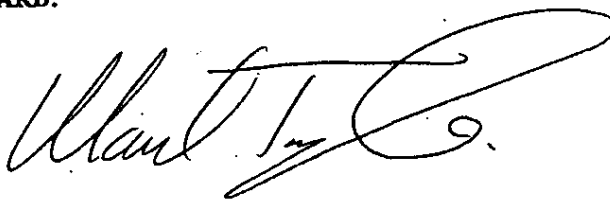
A loss of £888,396 was generated on turnover of £7,381,797 after incurring restructuring costs of £1,081,392. These costs are shown as an exceptional item in the Profit and Loss Account.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties are the retention and growth of employee resources, successfully winning and servicing new and repeat business, clients project visibility, competitor low pricing and changes in planning and design regulations. The directors and management team continue to monitor these risks and assess controls for managing these.

ON BEHALF OF THE BOARD:

M H Taylor - Director

A handwritten signature in black ink, appearing to read 'M H Taylor', is written over a large, faint, stylized 'E' or similar background mark.

25 September 2015

3DReid Limited (Registered number: SC278348)

Report of the Directors
for the Year Ended 31 October 2014

The directors present their report with the financial statements of the company and the group for the year ended 31 October 2014.

DIVIDENDS

The directors recommend that no final dividend be paid.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2013 to the date of this report.

M Anders
D J Burrows
G Ferrier
R.C. Graham-Marr
C. A. MacDonald
M H Taylor
G.B. Turnbull

Other changes in directors holding office are as follows:

R Beastall and D Stanford ceased to be directors after 31 October 2014 but prior to the date of this report.

FIXED ASSET INVESTMENTS

Since year end the dormant subsidiaries listed in note 10, with the exception of Geoffrey Reid Associates Limited, have been dissolved.

LOAN NOTES

Loan notes totalling £397,800 which were due for repayment by 13 March 2012 have been included in the accounts as amounts falling due after more than one year. This change was made to ensure the accounts give a true and fair view, as repayment of these loan notes was prevented under the terms of an Inter Creditor agreement to which both the company and all of its creditors are party.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

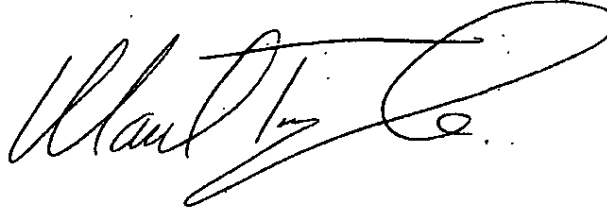
3DReid Limited (Registered number: SC278348)

Report of the Directors
for the Year Ended 31 October 2014

AUDITORS

The auditors, McLay McAlister & McGibbon LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'M H Taylor', with a large, stylized flourish at the end.

M H Taylor - Director

25 September 2015

**Report of the Independent Auditors to the Members of
3DReid Limited**

We have audited the financial statements of 3DReid Limited for the year ended 31 October 2014 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 October 2014 and of the group's loss 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

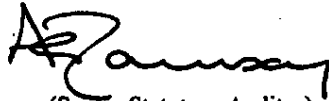
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
3DReid Limited

Matters on which we are required to report by exception

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

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



Allan Ramsay (Senior Statutory Auditor)
for and on behalf of McLay McAlister & McGibbon LLP
Chartered Accountants and Statutory Auditors
145 St Vincent Street
Glasgow
G2 5JF

Date: 28 SEPTEMBER 2015.

3DReid Limited (Registered number: SC278348)

Consolidated Profit and Loss Account
for the Year Ended 31 October 2014

	Notes	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
TURNOVER		7,381,797	14,320,093
Administrative expenses		(7,086,523)	(14,041,766)
OPERATING PROFIT	3	295,274	278,327
Exceptional items	4	(1,081,392)	(367,461)
		(786,118)	(89,134)
Interest receivable and similar income		167	270
		(785,951)	(88,864)
Interest payable and similar charges	5	(102,445)	105,575
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(888,396)	16,711
Tax on (loss)/profit on ordinary activities	6	18,086	5,246
(LOSS)/PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP		<u>(870,310)</u>	<u>21,957</u>

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The group has no recognised gains or losses other than the loss for the current year and the profit for the previous period.

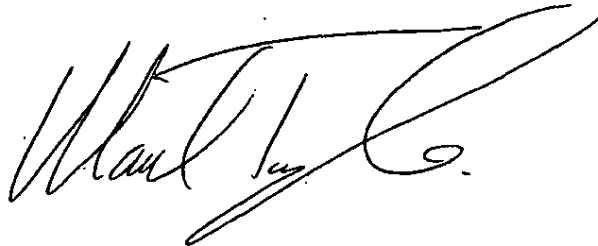
The notes form part of these financial statements

Consolidated Balance Sheet31 October 2014

	Notes	31.10.14 £	31.10.13 £
FIXED ASSETS			
Intangible assets	8	533,749	630,795
Tangible assets	9	141,845	153,283
Investments	10	25,000	25,000
		<u>700,594</u>	<u>809,078</u>
CURRENT ASSETS			
Stocks	11	252,787	213,880
Debtors	12	3,430,928	4,333,981
Cash at bank and in hand		547	261,358
		<u>3,684,262</u>	<u>4,809,219</u>
CREDITORS			
Amounts falling due within one year	13	(1,713,160)	(1,934,684)
NET CURRENT ASSETS		<u>1,971,102</u>	<u>2,874,535</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,671,696</u>	<u>3,683,613</u>
CREDITORS			
Amounts falling due after more than one year	14	(1,764,083)	(1,905,690)
NET ASSETS		<u>907,613</u>	<u>1,777,923</u>
CAPITAL AND RESERVES			
Called up share capital	18	1,045,000	1,045,000
Share premium	19	812,200	812,200
Profit and loss account	19	(949,587)	(79,277)
SHAREHOLDERS' FUNDS	22	<u>907,613</u>	<u>1,777,923</u>

The financial statements were approved by the Board of Directors on 25 September 2015 and were signed on its behalf by:

M H Taylor - Director



3DReid Limited (Registered number: SC278348)

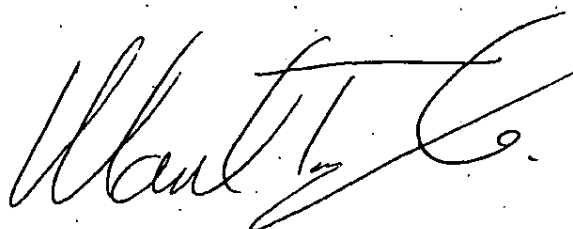
Company Balance Sheet

31 October 2014

	Notes	31.10.14 £	31.10.13 £
FIXED ASSETS			
Intangible assets	8	533,749	630,795
Tangible assets	9	141,845	153,283
Investments	10	2,683,427	2,683,427
		<u>3,359,021</u>	<u>3,467,505</u>
CURRENT ASSETS			
Stocks	11	252,787	213,880
Debtors	12	3,430,928	4,333,981
Cash at bank and in hand		547	261,358
		<u>3,684,262</u>	<u>4,809,219</u>
CREDITORS			
Amounts falling due within one year	13	(4,371,587)	(4,593,111)
NET CURRENT (LIABILITIES)/ASSETS		<u>(687,325)</u>	<u>216,108</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,671,696</u>	<u>3,683,613</u>
CREDITORS			
Amounts falling due after more than one year	14	(1,764,083)	(1,905,690)
NET ASSETS		<u>907,613</u>	<u>1,777,923</u>
CAPITAL AND RESERVES			
Called up share capital	18	1,045,000	1,045,000
Share premium	19	812,200	812,200
Profit and loss account	19	(949,587)	(79,277)
SHAREHOLDERS' FUNDS	22	<u>907,613</u>	<u>1,777,923</u>

The financial statements were approved by the Board of Directors on 25 September 2015 and were signed on its behalf by:

M H Taylor - Director



The notes form part of these financial statements

3DReid Limited (Registered number: SC278348)

**Consolidated Cash Flow Statement
for the Year Ended 31 October 2014**

		Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Net cash outflow from operating activities	Notes 1	(58,798)	(312,670)
Returns on investments and servicing of finance	2	(102,278)	105,845
Taxation		18,086	(878)
Capital expenditure	2	(1,564)	(106,008)
		(144,554)	(313,711)
Financing	2	(124,241)	179,001
Decrease in cash in the period		(268,795)	(134,710)
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Decrease in cash in the period		(268,795)	(134,710)
Cash outflow from decrease in debt and lease financing		124,241	733,198
Change in net debt resulting from cash flows		(144,554)	598,488
New Hire purchase		(72,330)	-
Movement in net debt in the period		(216,884)	598,488
Net debt at 1 November		(1,784,747)	(2,383,235)
Net debt at 31 October		(2,001,631)	(1,784,747)

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Operating profit	295,274	278,327
Depreciation charges	182,378	230,849
Exceptional items	(1,081,392)	(367,461)
Increase in stocks	(38,907)	(213,880)
Decrease in debtors	903,053	763,836
Decrease in creditors	(319,204)	(1,004,341)
Net cash outflow from operating activities	(58,798)	(312,670)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Returns on investments and servicing of finance		
Interest received	167	270
Interest paid	(98,454)	108,374
Interest element of hire purchase payments	(3,991)	(2,799)
Net cash (outflow)/inflow for returns on investments and servicing of finance	(102,278)	105,845
Capital expenditure		
Purchase of tangible fixed assets	(1,564)	(106,008)
Net cash outflow for capital expenditure	(1,564)	(106,008)
Financing		
New loans in year	-	350,000
Loan repayments in year	(90,617)	(146,250)
Capital repayments in year	(33,624)	(24,749)
Net cash (outflow)/inflow from financing	(124,241)	179,001

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 October 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.11.13 £	Cash flow £	Other non-cash changes £	At 31.10.14 £
Net cash:				
Cash at bank and in hand	261,358	(260,811)		547
Bank overdraft	-	(7,984)		(7,984)
	<u>261,358</u>	<u>(268,795)</u>		<u>(7,437)</u>
Debt:				
Hire purchase	(9,555)	33,624	(72,330)	(48,261)
Debts falling due within one year	(130,860)	(75,141)	-	(206,001)
Debts falling due after one year	(1,905,690)	165,758	-	(1,739,932)
	<u>(2,046,105)</u>	<u>124,241</u>	<u>(72,330)</u>	<u>(1,994,194)</u>
Total	<u>(1,784,747)</u>	<u>(144,554)</u>	<u>(72,330)</u>	<u>(2,001,631)</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 October 2014**

1. ACCOUNTING POLICIES

Accounting convention

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

Basis of consolidation

The group financial statements incorporate 3DReid Limited and its subsidiaries made up to 31 October 2014.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2007, is being amortised evenly over its estimated economic useful life. The estimated economic useful life has been reviewed and is considered to be 10 years from 1 May 2010.

Tangible fixed assets

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

Improvements to property	- over the term of the lease
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that the directors consider it is more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on the 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.

Hire purchase and leasing commitments

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

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

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

1. ACCOUNTING POLICIES - continued

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 2.

The company finances its activities through the use of long term bank loans and other third party funding.

The forecasts prepared for the UK business were presented as challenging but achievable and took account of the secured workload together with the uncertainties existing the market place at the time of approval.

EBITDA to June 2015 is £663,613 and the directors believe that this level is suffice to service debt, invest in the company's infrastructure whilst ensuring that working capital is managed proficiently. The directors firmly believe that the company has adequate resources to continue trading for the foreseeable future.

Therefore the directors continue to adopt the going concern basis in preparing the financial statements.

2. STAFF COSTS

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Wages and salaries	3,784,075	7,186,843
Social security costs	398,026	736,071
Other pension costs	157,096	128,370
	<u>4,339,197</u>	<u>8,051,284</u>

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

	Year Ended 31.10.14	Period 1.5.12 to 31.10.13
Professional & administrative	<u>100</u>	<u>137</u>

3. OPERATING PROFIT

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

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Other operating leases	16,100	163,941
Depreciation - owned assets	65,240	63,622
Depreciation - assets on hire purchase contracts	20,092	21,659
Goodwill amortisation	97,046	145,568
Auditors' remuneration	12,000	12,000
Foreign exchange differences	4,173	(2,328)
Operating leases - land and buildings	<u>302,874</u>	<u>763,449</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

3. OPERATING PROFIT - continued

Directors' remuneration	670,300	1,278,526
Directors' pension contributions to money purchase schemes	33,984	59,467

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

Money purchase schemes	9	9
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Information regarding the highest paid director is as follows:

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Emoluments etc	87,033	124,667

4. EXCEPTIONAL ITEMS

The exceptional item of £1,081,392 has been brought about as a direct result of the directors' decision to cease trading in all its international businesses and concentrate on its UK business activities.

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Bank loan interest	44,209	66,084
Other interest	28,388	30,942
Loan note interest	25,857	(205,400)
Hire purchase	3,991	2,799
	102,445	(105,575)

6. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
Current tax:		
UK corporation tax	(18,086)	34,369
Over provision earlier years	-	(39,615)
Tax on (loss)/profit on ordinary activities	(18,086)	(5,246)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

6. TAXATION - continued

Factors affecting the tax credit

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

	Year Ended 31.10.14 £	Period 1.5.12 to 31.10.13 £
(Loss)/profit on ordinary activities before tax	<u>(888,396)</u>	<u>16,711</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 20%)	(177,679)	3,342
Effects of:		
Expenses not deductible for tax purposes	3,760	8,636
Depreciation in excess of capital allowances	12,435	16,724
S455 tax	-	7,250
Other adjustments	5,649	(1,583)
Over provision earlier years	-	(39,615)
Non-trade loans	128,619	-
Tax losses carried forward	<u>9,130</u>	<u>-</u>
Current tax credit	<u>(18,086)</u>	<u>(5,246)</u>

7. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial period was £(895,277) (2013 - £21,957 profit).

8. INTANGIBLE FIXED ASSETS

Group	Goodwill £
COST	
At 1 November 2013 and 31 October 2014	<u>2,771,065</u>
AMORTISATION	
At 1 November 2013	2,140,270
Amortisation for year	<u>97,046</u>
At 31 October 2014	<u>2,237,316</u>
NET BOOK VALUE	
At 31 October 2014	<u>533,749</u>
At 31 October 2013	<u>630,795</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

8. INTANGIBLE FIXED ASSETS - continued

Company	Goodwill £
COST	
At 1 November 2013 and 31 October 2014	2,771,065
AMORTISATION	
At 1 November 2013	2,140,270
Amortisation for year	97,046
At 31 October 2014	2,237,316
NET BOOK VALUE	
At 31 October 2014	533,749
At 31 October 2013	630,795

Goodwill arose on the purchase of Geoffrey Reid Associates Limited in 2007. The economic useful life has been reviewed by the directors and is considered to be 10 years from 1 May 2010. In the opinion of the directors, this is an estimate of the period over which the benefits will be derived.

9. TANGIBLE FIXED ASSETS

Group	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2013	685,528	839,827	1,583,985	3,109,340
Additions	1,564	-	72,330	73,894
At 31 October 2014	687,092	839,827	1,656,315	3,183,234
DEPRECIATION				
At 1 November 2013	582,258	816,074	1,557,725	2,956,057
Charge for year	39,285	5,975	40,072	85,332
At 31 October 2014	621,543	822,049	1,597,797	3,041,389
NET BOOK VALUE				
At 31 October 2014	65,549	17,778	58,518	141,845
At 31 October 2013	103,270	23,753	26,260	153,283

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

9. TANGIBLE FIXED ASSETS - continued

Group

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

	Computer equipment £
COST	
At 1 November 2013	49,582
Additions	72,330
Transfer to ownership	(49,582)
At 31 October 2014	72,330
DEPRECIATION	
At 1 November 2013	35,590
Charge for year	20,092
Transfer to ownership	(35,590)
At 31 October 2014	20,092
NET BOOK VALUE	
At 31 October 2014	52,238
At 31 October 2013	13,992

Company

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 November 2013	685,528	839,827	1,583,985	3,109,340
Additions	1,564	-	72,330	73,894
At 31 October 2014	687,092	839,827	1,656,315	3,183,234
DEPRECIATION				
At 1 November 2013	582,258	816,074	1,557,725	2,956,057
Charge for year	39,285	5,975	40,072	85,332
At 31 October 2014	621,543	822,049	1,597,797	3,041,389
NET BOOK VALUE				
At 31 October 2014	65,549	17,778	58,518	141,845
At 31 October 2013	103,270	23,753	26,260	153,283

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

9. TANGIBLE FIXED ASSETS - continued

Company

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

	Computer equipment £
COST	
At 1 November 2013	49,582
Additions	72,330
Transfer to ownership	(49,582)
At 31 October 2014	72,330
DEPRECIATION	
At 1 November 2013	35,590
Charge for year	20,092
Transfer to ownership	(35,590)
At 31 October 2014	20,092
NET BOOK VALUE	
At 31 October 2014	52,238
At 31 October 2013	13,992

10. FIXED ASSET INVESTMENTS

Group

	Unlisted investments £
COST	
At 1 November 2013 and 31 October 2014	25,000
NET BOOK VALUE	
At 31 October 2014	25,000
At 31 October 2013	25,000

Company

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 November 2013 and 31 October 2014	2,658,427	25,000	2,683,427
NET BOOK VALUE			
At 31 October 2014	2,658,427	25,000	2,683,427
At 31 October 2013	2,658,427	25,000	2,683,427

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014**

10. 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

3D (Group) Limited
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>1,000</u>	<u>10,000</u>

3D (Glasgow) Limited
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

3D (Project Management) Limited
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>1,000</u>	<u>1,000</u>

3D (Architects) Edinburgh Limited
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>2</u>	<u>2</u>

Geoffrey Reid Associates Limited
Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>(389,771)</u>	<u>(389,771)</u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014**

10. FIXED ASSET INVESTMENTS - continued

Reid Architecture London Limited

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>1,345,970</u>	<u>1,345,970</u>

Reid Architecture Scotland Limited

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>908,395</u>	<u>908,395</u>

Reid Architecture Birmingham Limited

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>793,733</u>	<u>793,733</u>

John R Harris Architects Limited

Nature of business: Dormant

	% holding		
Class of shares:			
Ordinary	100.00		
		31.10.14	31.10.13
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

Since the year end the dormant subsidiaries with the exception of Geoffrey Reid Associates Limited, have been dissolved.

11. STOCKS

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Work-in-progress	<u>252,787</u>	<u>213,880</u>	<u>252,787</u>	<u>213,880</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

12. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Trade debtors	2,917,086	2,912,041	2,917,086	2,912,041
Other debtors	129,768	940,690	129,768	940,690
Prepayments	384,074	481,250	384,074	481,250
	<u>3,430,928</u>	<u>4,333,981</u>	<u>3,430,928</u>	<u>4,333,981</u>

Included in other debtors are amounts owed by directors of £44,276 (2013: £43,243).

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Bank loans and overdrafts (see note 15)	7,984	35,860	7,984	35,860
Other loans (see note 15)	206,001	95,000	206,001	95,000
Hire purchase contracts (see note 16)	24,110	9,555	24,110	9,555
Trade creditors	540,462	962,563	540,462	962,563
Amounts owed to group undertakings	-	-	2,658,427	2,658,427
Tax	34,369	34,369	34,369	34,369
Social security and other taxes	108,335	166,962	108,335	166,962
VAT	357,786	388,865	357,786	388,865
Other creditors	56,700	315	56,700	315
Accrued expenses	377,413	241,195	377,413	241,195
	<u>1,713,160</u>	<u>1,934,684</u>	<u>4,371,587</u>	<u>4,593,111</u>

14. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Bank loans (see note 15)	763,750	727,890	763,750	727,890
Other loans (see note 15)	976,182	1,177,800	976,182	1,177,800
Hire purchase contracts (see note 16)	24,151	-	24,151	-
	<u>1,764,083</u>	<u>1,905,690</u>	<u>1,764,083</u>	<u>1,905,690</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 201415. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	7,984	-	7,984	-
Bank loans	-	35,860	-	35,860
Loan notes	50,000	25,000	50,000	25,000
Pension Scheme Loan	156,001	70,000	156,001	70,000
	<u>213,985</u>	<u>130,860</u>	<u>213,985</u>	<u>130,860</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	146,250	37,543	146,250	37,543
Loan notes	672,800	722,800	672,800	722,800
Pension Scheme Loan	128,382	56,691	128,382	56,691
	<u>947,432</u>	<u>817,034</u>	<u>947,432</u>	<u>817,034</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	617,500	690,347	617,500	690,347
Pension Scheme Loan	175,000	398,309	175,000	398,309
	<u>792,500</u>	<u>1,088,656</u>	<u>792,500</u>	<u>1,088,656</u>

16. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES****Group**

	Hire purchase contracts	
	31.10.14	31.10.13
	£	£
Gross obligations repayable:		
Within one year	26,949	10,990
Between one and five years	26,990	-
	<u>53,939</u>	<u>10,990</u>
Finance charges repayable:		
Within one year	2,839	1,435
Between one and five years	2,839	-
	<u>5,678</u>	<u>1,435</u>
Net obligations repayable:		
Within one year	24,110	9,555
Between one and five years	24,151	-
	<u>48,261</u>	<u>9,555</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

16. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

Company

	Hire purchase contracts	
	31.10.14	31.10.13
	£	£
Gross obligations repayable:		
Within one year	26,949	10,990
Between one and five years	26,990	-
	<u>53,939</u>	<u>10,990</u>
Finance charges repayable:		
Within one year	2,839	1,435
Between one and five years	2,839	-
	<u>5,678</u>	<u>1,435</u>
Net obligations repayable:		
Within one year	24,110	9,555
Between one and five years	24,151	-
	<u>48,261</u>	<u>9,555</u>

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

Company

	Land and buildings		Other operating leases	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Expiring:				
Within one year	22,000	22,000	-	33,686
Between one and five years	126,486	126,486	-	-
In more than five years	162,552	162,552	-	-
	<u>311,038</u>	<u>311,038</u>	<u>-</u>	<u>33,686</u>

17. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	31.10.14	31.10.13	31.10.14	31.10.13
	£	£	£	£
Bank overdraft	7,984	-	-	-
Bank loans	763,750	763,750	763,750	763,750
Pension Scheme Loan	331,001	468,309	331,001	-
Hire purchase contracts	48,261	9,555	48,261	9,555
	<u>1,150,996</u>	<u>1,241,614</u>	<u>1,143,012</u>	<u>773,305</u>

The bank loans, bank overdraft and the pension scheme loans are secured by a bond and floating charge over the group's assets. The hire purchase contracts are secured over the assets to which they relate.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.10.14 £	31.10.13 £
Number:	Class:			
60,000	Ordinary	£1	60,000	60,000
885,000	Preference	£1	885,000	885,000
100,000	B & C Ordinary	£1	100,000	100,000
			<u>1,045,000</u>	<u>1,045,000</u>

The preference shares are non- redeemable, non-voting and are not entitled to a dividend.

19. RESERVES

Group

	Profit and loss account £	Share premium £	Totals £
At 1 November 2013	(79,277)	812,200	732,923
Deficit for the year	<u>(870,310)</u>		<u>(870,310)</u>
At 31 October 2014	<u>(949,587)</u>	<u>812,200</u>	<u>(137,387)</u>

Company

	Profit and loss account £	Share premium £	Totals £
At 1 November 2013	(79,277)	812,200	732,923
Deficit for the year	<u>(870,310)</u>		<u>(870,310)</u>
At 31 October 2014	<u>(949,587)</u>	<u>812,200</u>	<u>(137,387)</u>

20. PENSION COMMITMENTS

The company operates two defined contribution pension schemes: The Executive Pension Plan and the Group Pension Plan. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £nil (2013 - £nil) and £157,096 (2013 - £128,370) respectively. Contributions totalling £17,310 (2013 - £4,060) were payable to the funds at the year end and are included in creditors.

21. RELATED PARTY DISCLOSURES

3DReid International UAE
49% shareholding

During the period 3DReid Ltd made sales of £8,000 and management charges of £nil to 3DReid International UAE. During the year the company wrote off £145,257 due from 3DReid International UAE.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 October 2014

21. RELATED PARTY DISCLOSURES - continued

3DReid International Cyprus
Common shareholders

During the year the company wrote off £31,715 due by 3DReid International Cyprus.

3DReid International Asia
Common shareholders

During the period 3DReid Ltd made sales of £96,000 to 3DReid International Asia. During the year the company wrote off £96,000 due from 3DReid International Asia.

3DReid International Hong Kong
Common shareholders

During the period 3DReid Ltd made sales of £nil to 3DReid International Hong Kong. At 31 October 2014 the company owed £nil to 3DReid Ltd.

During the year the company wrote off £5,940 due from 3DReid International Hong Kong.

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	31.10.14	31.10.13
	£	£
(Loss)/profit for the financial year	(870,310)	21,957
New share capital subscribed	-	912,200
Net (reduction)/addition to shareholders' funds	(870,310)	934,157
Opening shareholders' funds	1,777,923	843,766
Closing shareholders' funds	907,613	1,777,923

Company

	31.10.14	31.10.13
	£	£
(Loss)/profit for the financial year	(870,310)	21,957
New share capital subscribed	-	912,200
Net (reduction)/addition to shareholders' funds	(870,310)	934,157
Opening shareholders' funds	1,777,923	843,766
Closing shareholders' funds	907,613	1,777,923