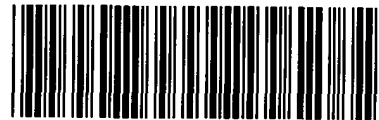


Company Registration No. 01781765 (England and Wales)

Burlington Slate Limited

**Annual report and
consolidated financial statements
for the year ended 31 March 2015**

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Burlington Slate Limited

Directors and advisers

Directors	The Hon Miss Lucy Cavendish Lord Cavendish Lady Cavendish Duncan Peake Allen Gibb David Sarti (Appointed 23 June 2015) Ronald Painter Nicholas Williams
Company number	01781765
Registered office	Cavendish House Kirkby-in-Furness Cumbria LA17 7UN
Independent auditors	Saffery Champness Mitre House North Park Road Harrogate North Yorkshire HG1 5RX
Bankers	Barclays Commercial Bank PO Box 195 Barclays House Oxenholme Road Kendal Cumbria BX3 2BB

Burlington Slate Limited

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Burlington Slate Limited

Strategic report

For the year ended 31 March 2015

The directors present their strategic report for the year ended 31 March 2015.

Review of the business

The principal activity of the company continued to be the manufacture and sale of natural British stone products.

The Profit and Loss report for the business is set out on page 8 and reports 4% growth in Turnover at £11,119,278 in the 12 months to March 2015 (2014 value being £10,676,540) and a 52% improvement in Profit Before Tax at £144,294 (2014 value being £94,900).

Burlington Slate Ltd continues to be completely focused on identifying new sectors and markets for natural Cumbrian stone products and in developing value through every element of the magnificent resource at its disposal. The portfolio displays the best of British natural stone, with unique and esoteric heritage and bespoke offers.

The growth in Turnover follows further consolidation of the Burlington sales profile in the UK market during the period, enhanced by positive developments in overseas sales activity, particularly in the Middle East and the United States. The extension of products into the Landscaping and Aggregates markets continues, with this diversification reducing dependence on the more traditional roofing and architectural dimensional stone markets, thereby reinforcing Burlington's opportunity to develop its commercial footprint.

In the short term, the continued growth of Aggregates and increased overseas business has maintained Cost of Sales at 61% in 2015 compared to 62% in 2014, however this development reduces long term risk and exposure to roofing slate and dimensional stone price competition and ensures that bi-products continue to consume rather than create waste.

Burlington is as proud of its people as it is of both its stone and heritage, and much work has taken place to further strengthen the bond between the business and our extremely valuable and highly skilled workforce. The business strategy continues to develop and long term cash flow projections are positive.

Established extraction and production methods were challenged during the period and a number of practices and processes were modernised with unique solutions as part of the ongoing drive to improve efficiency and protect margin. A business wide ERP system was launched at the end of the financial year and with enhanced control, reporting and mechanisation of data gathering, it is expected that this will deliver further benefits in the future.

Burlington Directors remain confident that demand for our premium grade products offered at a competitive price will continue and that our legacy of quality and value will reduce the impact of price based risk from cheaper, inferior quality imported stones.

Burlington Slate Limited

Strategic report (continued)

For the year ended 31 March 2015

Principal risks and uncertainties

Price competition from low cost overseas imports remains a key risk for Burlington however the superior quality of the Lake District product significantly enhances the value for money which customers receive.

The domestic building market continues to improve and the business witnesses the benefits of this through demand for our roofing, architectural and aggregates products. Nonetheless, exposure to offering credit in this market remains high on our agenda and appropriate steps are consistently deployed to manage risk in this key area.

Burlington Slate enjoys a strong positive relationship with its' banking partners and there is no perceived risk to liquidity.

Increased overseas activity brings greater exposure to currency fluctuation, primarily in US dollars. Management actively monitor currency movements and act accordingly when the need arises.

Legislative changes to the 'Aggregates Levy' were reversed in the course of the financial year however final ratification has not yet been delivered in the form of the 2015 Finance Act.

Position of the company at year end

Net current assets improved by 4.4% in the financial year however there are no material events to note.

Key performance indicators

The directors monitor the performance of the company using a number of detailed financial and production based KPI's in the monthly and annual management accounts. Significant focus has been applied to Debtors during the period and Debtor Days have improved from 88 days in 2014 to 73 days in 2015. Gross Margin has improved from 37.7% in 2014 to 38.9% in 2015 and with a £379,000 improvement in Cash, 6.4% of current assets are now in this form.

Future developments

The Burlington Board of Directors continues to explore opportunities for new markets and products. Much ground work was carried out in the the year to March 2015 to prepare for the launch of a new joint venture business in April 2015. 'Burlington Aggregates Limited' will focus on the manufacture and sale of aggregates, recycling and concrete and is in a strong position to capitalise on the significant levels of inward investment expected in South and West Cumbria.

Creativity, service, quality and efficiency will always be key to the protection of Burlington's heritage and the development of potential. With exciting plans for quarry improvement, production investment, development of our people, and the objective of increasing beyond the thirty two countries we currently export to, the future for Burlington holds significant potential.

Burlington Slate Limited

Strategic report (continued)
For the year ended 31 March 2015

On behalf of the board

A handwritten signature in black ink, appearing to read 'Lucy Cavendish', with a long horizontal flourish extending to the right.

The Hon Miss Lucy Cavendish
Director

12.11.15

Burlington Slate Limited

Directors' report

For the year ended 31 March 2015

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

Principal activities

The principal activity of the company and the group continued to be that of the manufacture and sale of natural British stone products.

Results and dividends

The consolidated profit and loss account for the year is set out on page 8.

A dividend of £100,000 was paid during the year (2014: £100,000).

Directors

The following directors have held office since 1 April 2014:

The Hon Miss Lucy Cavendish

Lord Cavendish

Lady Cavendish

Duncan Peake

Allen Gibb

David Sarti

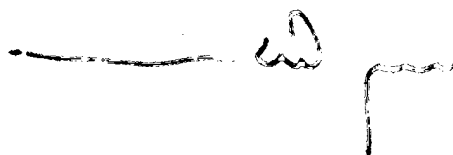
(Appointed 23 June 2015)

Ronald Painter

Nicholas Williams

Auditors

The auditors, Saffery Champness, have expressed their willingness to continue in office and in accordance with section 485 of the Companies Act 2006, they will be put forward for reappointment at a General Meeting.

A handwritten signature in black ink, appearing to be 'W. J. Paul', is located in the lower right area of the page.

Burlington Slate Limited

Directors' report (continued)

For the year ended 31 March 2015

Statement of directors' responsibilities

The directors are responsible for preparing 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 of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

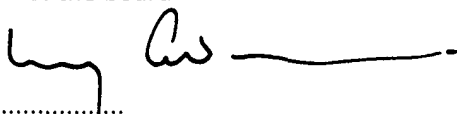
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



.....
The Hon Miss Lucy Cavendish

Director

12.11.15
.....

Burlington Slate Limited

Independent auditors' report

To the members of Burlington Slate Limited

We have audited the group and parent company financial statements (the "financial statements") of Burlington Slate Limited for the year ended 31 March 2015 set out on pages 8 to 36. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 - 5, 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 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 Annual 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 parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Burlington Slate Limited

Independent auditors' report (continued)
To the members of Burlington Slate 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.

Martin Holden (Senior Statutory Auditor)
for and on behalf of Saffery Champness

Chartered Accountants
Statutory Auditors



Mitre House
North Park Road
Harrogate
North Yorkshire
HG1 5RX



Burlington Slate Limited**Consolidated profit and loss account
For the year ended 31 March 2015**

		2015	2014
	Notes	£	£
Turnover	2	11,119,278	10,676,540
Cost of sales		(6,795,052)	(6,644,802)
Gross profit		4,324,226	4,031,738
Distribution costs		(3,056,033)	(2,777,578)
Administrative expenses		(1,191,865)	(1,179,412)
Other operating income		95,273	58,152
Operating profit	3	171,601	132,900
Other interest receivable and similar income		9,972	6,519
Interest payable and similar charges	4	(37,279)	(44,519)
Profit on ordinary activities before taxation		144,294	94,900
Tax on profit on ordinary activities	5	(35,939)	(20,833)
Profit on ordinary activities after taxation		<u>108,355</u>	<u>74,067</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 15 to 36 form part of these financial statements.

Burlington Slate Limited

**Statement of total recognised gains and losses
For the year ended 31 March 2015**

	2015	2014
	£	£
Profit for the financial year	108,355	74,067
Currency translation differences on foreign currency net investments	78,034	(52,377)
Total recognised gains and losses relating to the year	<u>186,389</u>	<u>21,690</u>

Burlington Slate Limited

**Balance sheets
As at 31 March 2015**

		Group		Company	
		2015	2014	2015	2014
	Notes	£	£	£	£
Fixed assets					
Intangible assets	8	549,436	635,710	549,436	635,710
Tangible assets	9	1,716,110	1,809,668	1,716,105	1,801,427
Investments	10	-	-	1,038,899	1,038,897
		<u>2,265,546</u>	<u>2,445,378</u>	<u>3,304,440</u>	<u>3,476,034</u>
Current assets					
Stocks	11	3,370,424	3,206,481	3,355,905	3,193,775
Debtors	12	2,222,159	2,583,043	2,220,633	2,581,718
Cash at bank and in hand		384,909	4,902	378,333	3,429
		<u>5,977,492</u>	<u>5,794,426</u>	<u>5,954,871</u>	<u>5,778,922</u>
Creditors: amounts falling due within one year	13	(2,348,128)	(2,318,596)	(6,891,636)	(6,767,198)
Net current assets		<u>3,629,364</u>	<u>3,475,830</u>	<u>(936,765)</u>	<u>(988,276)</u>
Total assets less current liabilities		<u>5,894,910</u>	<u>5,921,208</u>	<u>2,367,675</u>	<u>2,487,758</u>
Creditors: amounts falling due after more than one year	14	(509,853)	(641,402)	(509,853)	(641,402)
Provisions for liabilities	15	(164,474)	(139,144)	(171,193)	(145,863)
Accruals and deferred income	16	(37,186)	(43,654)	(37,186)	(43,654)
		<u>5,183,397</u>	<u>5,097,008</u>	<u>1,649,443</u>	<u>1,656,839</u>
Capital and reserves					
Called up share capital	18	26,002	26,002	26,002	26,002
Share premium account	19	1,245,920	1,245,920	-	-
Profit and loss account	19	3,910,264	3,823,875	1,623,441	1,630,837
Shareholders' funds	21	<u>5,182,186</u>	<u>5,095,797</u>	<u>1,649,443</u>	<u>1,656,839</u>
Minority interests	20	<u>1,211</u>	<u>1,211</u>	-	-
		<u>5,183,397</u>	<u>5,097,008</u>	<u>1,649,443</u>	<u>1,656,839</u>

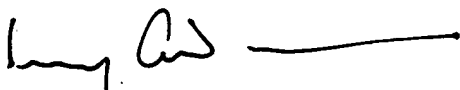
Burlington Slate Limited

Balance sheets (continued)

As at 31 March 2015

The notes on pages 15 to 36 form part of these financial statements.

Approved by the Board and authorised for issue on12.11.15.....


.....
The Hon Miss Lucy Cavendish
Director

Company Registration No. 01781765

Burlington Slate Limited

**Consolidated cash flow statement
For the year ended 31 March 2015**

		2015	2014
	£	£	£
Net cash inflow from operating activities		555,690	567,379
Returns on investments and servicing of finance			
Interest received	9,972	6,519	
Interest paid	(37,279)	(33,466)	
Net cash outflow for returns on investments and servicing of finance		(27,307)	(26,947)
Taxation		(31,271)	(72,462)
Capital expenditure			
Payments to acquire tangible assets	(260,780)	(102,377)	
Receipts from sales of tangible assets	9,846	17,100	
Net cash outflow for capital expenditure		(250,934)	(85,277)
Equity dividends paid		(100,000)	(100,000)
Net cash inflow before management of liquid resources and financing		146,178	282,693
Financing			
New long term bank loan	-	243,618	
Other new short term loans	-	56,382	
New hire purchase contracts	180,839	-	
Repayment of long term bank loan	(184,180)	(135,931)	
Capital element of hire purchase contracts	(111,659)	(126,516)	
Net cash (outflow)/inflow from financing		(115,000)	37,553
Increase in cash in the year		31,178	320,246

Burlington Slate Limited

**Notes to the consolidated cash flow statement
For the year ended 31 March 2015**

1	Reconciliation of operating profit to net cash inflow from operating activities	2015	2014
		£	£
	Operating profit	171,601	132,900
	Depreciation of tangible assets	332,421	343,808
	Amortisation of intangible assets	86,274	86,274
	(Loss)/profit on disposal of tangible assets	5,495	(13,722)
	Increase in stocks	(163,943)	(140,413)
	Decrease in debtors	360,885	167,801
	(Decrease)/Increase in creditors within one year	(308,063)	50,819
	Net effect of foreign exchange differences	78,034	(52,377)
	Movement on grant provision	(6,468)	(6,468)
	Decrease in pension provision	(546)	(1,243)
	Net cash inflow from operating activities	555,690	567,379

2	Analysis of net debt	1 April 2014	Cash flow	Other non-cash changes	31 March 2015
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	4,902	380,007	-	384,909
	Bank overdrafts	(80,390)	(348,829)	-	(429,219)
		<u>(75,488)</u>	<u>31,178</u>	<u>-</u>	<u>(44,310)</u>
	Finance leases	(216,376)	(69,180)	-	(285,556)
	Debts falling due within one year	(173,563)	(6,249)	-	(179,812)
	Debts falling due after one year	(556,931)	187,093	-	(369,838)
		<u>(946,870)</u>	<u>111,664</u>	<u>-</u>	<u>(835,206)</u>
	Net debt	(1,022,358)	142,842	-	(879,516)

Burlington Slate Limited

Notes to the consolidated cash flow statement (continued)
For the year ended 31 March 2015

3	Reconciliation of net cash flow to movement in net debt	2015	2014
		£	£
	Increase in cash in the year	31,178	320,246
	Cash outflow/(inflow) from decrease/(increase) in debt	111,664	(40,889)
		<hr/>	<hr/>
	Movement in net debt in the year	142,842	279,357
	Opening net debt	(1,022,358)	(1,301,715)
		<hr/>	<hr/>
	Closing net debt	<u>(879,516)</u>	<u>(1,022,358)</u>

Notes to the consolidated financial statements
For the year ended 31 March 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2015. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents the invoiced amount of slate sold (stated net of value added tax) during the year. Revenue is recognised when the slate has been despatched to the customer. The turnover and pre-tax profit is attributable to the principal activity.

1.5 Goodwill

The intangible fixed asset represents a capital amount for the purchase of a lease. The lease is being amortised over the remaining period of the lease.

1.6 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

1 Accounting policies

(continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than Freehold land are stated at cost less depreciation.

Assets under Construction represents costs incurred for a capital project undertaken by the group. Where the directors consider that the project is no longer financially viable, the costs are written off.

Landscaping is capitalised and depreciated over the life of the relevant planning permission, or the period of any grants received towards the cost of landscaping.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	Freehold buildings are not depreciated as the directors believe that the residual value is not less than the cost
Land and buildings Leasehold	2% to 20% straight line
Plant and vehicles	10% to 50% straight line
Fixtures, fittings & equipment	20% to 30% straight line
Motor vehicles	20% to 25% straight line

1.8 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.9 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 March 2015

1 Accounting policies

(continued)

1.10 Stock and work in progress

Stocks are stated at the lower of costs and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Consumables and goods for resale - purchase costs on a first-in, first-out basis.

Work in progress and finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

1.11 Pensions

The Group operates a defined contribution pension scheme for the benefit of its directors and employees. The assets of the scheme are administered by trustees in funds independent from those of the group.

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

The Group has provided for its obligations to pay pensions to former employees not covered by the defined contribution schemes.

1.12 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.13 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account, except exchange differences arising in the consolidated accounts on the retranslation of the group's net investment in the foreign subsidiary, which are shown as a movement on the Statement of Total Recognised Gains and Losses.

1.14 Government grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

1 Accounting policies

(continued)

1.15 Changes in accounting policies and prior year adjustments

During the year the company reviewed the disclosure of directors' remuneration in the notes to the consolidated financial statements. It was found that the amount of directors' remuneration for year ended 31 March 2014 of £1,015,619 was incorrectly stated. At 31 March 2015, a prior year adjustment has been recognised to retrospectively change this to £545,774. There has been no impact of this change on net profit for 2014 or 2015.

2 Segmental analysis by class of business

The analysis by class of business of the company's turnover and profit before taxation is set out as below:

Turnover

	2015 £	2014 £
Class of business		
United Kingdom	9,091,676	8,993,252
Europe	334,286	150,839
USA	1,088,614	937,517
Middle East / Far East	604,702	594,932
	<u>11,119,278</u>	<u>10,676,540</u>

Burlington Slate Limited**Notes to the consolidated financial statements (continued)****For the year ended 31 March 2015**

3	Operating profit	2015	2014
		£	£
	Operating profit is stated after charging:		
	Amortisation of intangible assets	86,274	86,274
	Depreciation of tangible assets	332,421	343,808
	Loss on disposal of tangible assets	7,076	-
	Loss on foreign exchange transactions	-	1,608
	Operating lease rentals		
	- Plant and machinery	84,766	62,165
	- Other assets	8,189	8,727
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £11,850; 2014: £13,370)	11,850	13,370
	Non audit fees payable to the group auditors	6,300	9,110
	and after crediting:		
	Government grants	(6,244)	(13,267)
	Profit on disposal of tangible assets	-	(13,722)
	Profit on foreign exchange transactions	(61,391)	(9,738)
		<u> </u>	<u> </u>
4	Interest payable	2015	2014
		£	£
	On amounts payable to group companies	-	4,858
	On bank loans and overdrafts	29,177	26,911
	Hire purchase interest	8,102	12,750
		<u> </u>	<u> </u>
		<u>37,279</u>	<u>44,519</u>

Burlington Slate Limited

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

5 Taxation	2015	2014
	£	£
Domestic current year tax		
U.K. corporation tax	15,843	20,907
Adjustment for prior years	(9,327)	2,131
	<u>6,516</u>	<u>23,038</u>
Foreign corporation tax		
Foreign corporation tax	3,547	(4,722)
	<u>10,063</u>	<u>18,316</u>
Total current tax		
	10,063	18,316
Deferred tax		
Origination and reversal of timing differences	25,876	2,517
	<u>35,939</u>	<u>20,833</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>144,294</u>	<u>94,900</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 20.00%)	<u>30,302</u>	<u>18,980</u>
Effects of:		
Non deductible expenses	-	633
Depreciation add back	(20,054)	11,401
Foreign tax adjustments	3,547	(4,722)
Adjustments to previous periods	406	2,131
Other tax adjustments	(4,138)	(10,107)
	<u>(20,239)</u>	<u>(664)</u>
Current tax charge for the year	<u>10,063</u>	<u>18,316</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

6 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2015	2014
	£	£
Holding company's profit for the financial year	<u>92,604</u>	<u>62,479</u>

7 Dividends

	2015	2014
	£	£
Dividends paid within the year	<u>100,000</u>	<u>100,000</u>

Burlington Slate Limited

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

8 Intangible fixed assets
Group

	Lease £
Cost	
At 1 April 2014 & at 31 March 2015	846,171
Amortisation	
At 1 April 2014	210,461
Charge for the year	86,274
At 31 March 2015	296,735
Net book value	
At 31 March 2015	549,436
At 31 March 2014	635,710

The Group has paid The Holker Estate Trust, the lessor, a capital amount to permit an amendment to the lease, to allow the processing at Burlington Slate Quarries of minerals quarried elsewhere, and to allow the construction of office premises at the Kirkby Quarry. This amount is being amortised over the remaining period of the lease.

During 2005 the Group acquired the lease for Baycliffe Quarry. The lease is being amortised over the remaining period of the lease, which expires in 2023.

In August 2012 the Group acquired the leases for the Petts and Brathay Quarries. The leases are being amortised over the remaining period of the leases which expire in 2020.

Burlington Slate Limited

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

8 Intangible fixed assets (continued)

Intangible fixed assets (continued)
Company

	£
Cost	
At 1 April 2014 & at 31 March 2015	846,171
Amortisation	
At 1 April 2014	210,461
Charge for the year	86,274
At 31 March 2015	296,735
Net book value	
At 31 March 2015	549,436
At 31 March 2014	635,710

Burlington Slate Limited

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

9 Tangible fixed assets

Group	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and vehicles £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2014	110,911	1,848,304	7,645,319	108,842	26,667	9,740,043
Additions	-	-	260,780	-	-	260,780
Disposals	-	(45,059)	(609,986)	(8,038)	(13,624)	(676,707)
At 31 March 2015	110,911	1,803,245	7,296,113	100,804	13,043	9,324,116
Depreciation						
At 1 April 2014	-	1,252,511	6,585,115	74,319	18,430	7,930,375
On disposals	-	-	(639,708)	(8,034)	(7,048)	(654,790)
Charge for the year	-	62,550	237,198	31,013	1,660	332,421
At 31 March 2015	-	1,315,061	6,182,605	97,298	13,042	7,608,006
Net book value						
At 31 March 2015	110,911	488,184	1,113,508	3,506	1	1,716,110
At 31 March 2014	110,911	595,793	1,060,204	34,523	8,237	1,809,668

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and vehicles £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Net book values				
At 31 March 2015	527,025	-	-	527,025
At 31 March 2014	402,294	-	-	402,294
Depreciation charge for the year				
31 March 2015	56,108	-	-	56,108
31 March 2014	50,415	-	-	50,415

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

9 Tangible fixed assets (continued)

Tangible fixed assets
Company

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and vehicles £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 April 2014	110,911	1,848,304	7,899,802	102,583	9,961,600
Additions	-	-	260,780	-	260,780
Disposals	-	(45,059)	(609,986)	(8,038)	(663,083)
At 31 March 2015	110,911	1,803,245	7,296,113	94,545	9,304,814
Depreciation					
At 1 April 2014	-	1,252,511	6,822,852	68,064	8,143,427
On disposals	-	-	(639,708)	(8,034)	(647,742)
Charge for the year	-	62,550	237,198	31,013	330,761
At 31 March 2015	-	1,315,061	6,182,605	91,043	7,588,709
Net book value					
At 31 March 2015	110,911	488,184	1,113,508	3,502	1,716,105
At 31 March 2014	110,911	595,793	1,060,204	34,519	1,801,427

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and vehicles £	Fixtures, fittings & equipment £	Total £
Net book values			
At 31 March 2015	527,025	-	527,025
At 31 March 2014	402,294	-	402,294
Depreciation charge for the year			
31 March 2015	56,108	-	56,108
31 March 2014	50,415	-	50,415

Burlington Slate Limited**Notes to the consolidated financial statements (continued)**
For the year ended 31 March 2015**10 Fixed asset investments****Company**

	Shares in group undertakings £
Cost	
At 1 April 2014	1,038,897
Additions	2
	<hr/>
At 31 March 2015	1,038,899
	<hr/>
Net book value	
At 31 March 2015	1,038,899
	<hr/> <hr/>
At 31 March 2014	1,038,897
	<hr/> <hr/>

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Direct Subsidiary undertakings			
Burlington Slate Production Limited	England and Wales	Ordinary	100.00
The Broughton Moor Green Slate Quarries Limited	England and Wales	Ordinary	100.00
Lakeland Green Slate and Stone Company Limited	England and Wales	Ordinary	100.00
Mandall's Slate Company Limited	England and Wales	Ordinary	94.18
Burlington Natstone Limited	USA	Ordinary	100.00
Burlington Aggregates Limited	England and Wales	Ordinary	50.00

Burlington Slate Limited

Notes to the consolidated financial statements (continued)

For the year ended 31 March 2015

10 Fixed asset investments

(continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
	Principal activity		
Burlington Slate Production Limited	Dormant	3,349,963	-
The Broughton Moor Green Slate Quarries Limited	Dormant	267,558	-
Lakeland Green Slate and Stone Company Limited	Dormant	232,658	-
Mandall's Slate Company Limited	Dormant	20,772	-
Burlington Natstone Limited	Sale of slate products	714,478	14,143
Burlington Aggregates Limited	Non-trading company	2	-

11 Stocks and work in progress

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Raw materials and consumables	2,201,913	1,804,952	2,187,394	1,792,246
Work in progress	1,168,511	1,401,529	1,168,511	1,401,529
	<u>3,370,424</u>	<u>3,206,481</u>	<u>3,355,905</u>	<u>3,193,775</u>

Burlington Slate Limited**Notes to the consolidated financial statements (continued)**
For the year ended 31 March 2015**12 Debtors**

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	2,016,197	2,157,824	2,016,535	2,158,125
Amounts owed by related parties	-	277,340	-	277,340
Other debtors	56,129	361	55,722	-
Prepayments and accrued income	149,833	147,518	148,376	146,253
	<u>2,222,159</u>	<u>2,583,043</u>	<u>2,220,633</u>	<u>2,581,718</u>

13 Creditors : amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans and overdrafts	609,031	253,953	609,031	253,953
Net obligations under finance lease and hire purchase contracts	145,541	131,905	145,541	131,905
Trade creditors	629,350	772,704	629,337	772,691
Amounts owed to group undertakings	-	-	4,563,016	4,477,839
Amounts owed to related parties	49,070	284,172	49,070	284,172
Corporation tax	16,585	40,310	15,843	39,649
Taxes and social security costs	284,738	260,301	277,982	258,671
Other creditors	33,969	32,176	35,494	32,828
Accruals and deferred income	579,844	543,075	566,322	515,490
	<u>2,348,128</u>	<u>2,318,596</u>	<u>6,891,636</u>	<u>6,767,198</u>

The bank loan and overdraft is secured by a fixed and floating charge over the assets of the company. The net obligations under finance lease and hire purchase contractors are secured upon the assets they relate to.

Burlington Slate Limited

Notes to the consolidated financial statements (continued)

For the year ended 31 March 2015

14 Creditors : amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Bank loans	369,838	556,931	369,838	556,931
Net obligations under finance leases and hire purchase agreements	140,015	84,471	140,015	84,471
	<u>509,853</u>	<u>641,402</u>	<u>509,853</u>	<u>641,402</u>
Analysis of loans				
Wholly repayable within five years	549,650	730,494	549,650	730,494
Included in current liabilities	(179,812)	(173,563)	(179,812)	(173,563)
	<u>369,838</u>	<u>556,931</u>	<u>369,838</u>	<u>556,931</u>
Loan maturity analysis				
In more than one year but not more than two years	186,286	179,812	186,286	179,812
In more than two years but not more than five years	183,552	377,119	183,552	377,119

The loan is secured by a fixed and floating charge over the assets of the company. The net obligations under finance lease and hire purchase contractors are secured upon the assets they relate to.

Net obligations under finance leases and hire purchase contracts

Repayable within one year	145,541	131,395	145,541	131,395
Repayable between one and five years	140,015	84,471	140,015	84,471
	<u>285,556</u>	<u>215,866</u>	<u>285,556</u>	<u>215,866</u>
Included in liabilities falling due within one year	(145,541)	(131,395)	(145,541)	(131,905)
	<u>140,015</u>	<u>84,471</u>	<u>140,015</u>	<u>83,961</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

15 Provisions for liabilities

Group

	Pension obligations £	Deferred tax liability £	Total £
Balance at 1 April 2014	55,452	83,692	139,144
Profit and loss account	-	25,876	25,876
Contributions paid to pension schemes	(546)	-	(546)
Balance at 31 March 2015	<u>54,906</u>	<u>109,568</u>	<u>164,474</u>

Company

Balance at 1 April 2014	55,452	90,411	145,863
Profit and loss account	-	25,876	25,876
Contributions paid to pension schemes	(546)	-	(546)
Balance at 31 March 2015	<u>54,906</u>	<u>116,287</u>	<u>171,193</u>

The deferred tax liability is made up as follows:

	Group		Company	
	2015 £	2014 £	2015 £	2014 £
Accelerated capital allowances	83,692	105,039	90,411	111,758
Other timing differences	25,876	(21,347)	25,876	(21,347)
	<u>109,568</u>	<u>83,692</u>	<u>116,287</u>	<u>90,411</u>

Burlington Slate Limited**Notes to the consolidated financial statements (continued)**
For the year ended 31 March 2015**16 Accruals and deferred income**

Group	Government grants £
Balance at 1 April 2014	43,654
Amortisation in the year	(6,468)
	<u>37,186</u>
Balance at 31 March 2015	<u>37,186</u>
Company	
Balance at 1 April 2014	43,654
Amortisation in the year	(6,468)
	<u>37,186</u>
Balance at 31 March 2015	<u>37,186</u>

17 Pension and other post-retirement benefit commitments**Defined contribution**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund.

	2015 £	2014 £
Contributions payable by the company for the year	<u>376,938</u>	<u>180,520</u>

18 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
26,002 Ordinary shares of £1 each	<u>26,002</u>	<u>26,002</u>

Burlington Slate Limited

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

19 Statement of movements on reserves

Group

	Share premium account £	Profit and loss account £
Balance at 1 April 2014	1,245,920	3,823,875
Profit for the year	-	108,355
Foreign currency translation differences	-	78,034
Dividends paid	-	(100,000)
Balance at 31 March 2015	<u>1,245,920</u>	<u>3,910,264</u>

Company

	Profit and loss account £
Balance at 1 April 2014	1,630,837
Profit for the year	92,604
Dividends paid	(100,000)
Balance at 31 March 2015	<u>1,623,441</u>

20 Minority interests

	2015 £	2014 £
Minority interests' share of net assets and liabilities in subsidiary undertakings	<u>1,211</u>	<u>1,211</u>

Burlington Slate Limited**Notes to the consolidated financial statements (continued)****For the year ended 31 March 2015**

21 Reconciliation of movements in shareholders' funds	2015	2014
Group	£	£
Profit for the financial year	108,355	74,067
Dividends	(100,000)	(100,000)
	<u>8,355</u>	<u>(25,933)</u>
Other recognised gains and losses	78,034	(52,377)
	<u>86,389</u>	<u>(78,310)</u>
Net addition to/(depletion in) shareholders' funds	5,095,797	5,174,107
Opening shareholders' funds	<u>5,182,186</u>	<u>5,095,797</u>
Closing shareholders' funds	<u>5,182,186</u>	<u>5,095,797</u>
	2015	2014
Company	£	£
Profit for the financial year	92,604	62,479
Dividends	(100,000)	(100,000)
	<u>(7,396)</u>	<u>(37,521)</u>
Net depletion in shareholders' funds	1,656,839	1,694,360
Opening shareholders' funds	<u>1,649,443</u>	<u>1,656,839</u>
Closing shareholders' funds	<u>1,649,443</u>	<u>1,656,839</u>

22 Contingent liabilities**Group and company**

Under the lease of the Baycliffe Quarry there is a restoration bond of £50,000, which the company has agreed with the lessor which will come into affect when the lease expires.

Burlington Slate Limited**Notes to the consolidated financial statements (continued)**
For the year ended 31 March 2015**23 Financial commitments**

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within one year	8,384	8,384	7,240	3,686
Within two to five years	46,176	31,072	59,797	66,583
In over five years	14,410	28,999	-	-
	<u>68,970</u>	<u>68,455</u>	<u>67,037</u>	<u>70,269</u>

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Expiry date:				
Within one year	8,384	8,384	7,240	3,686
Within two to five years	46,176	31,072	59,797	66,583
In over five years	14,410	28,999	-	-
	<u>68,970</u>	<u>68,455</u>	<u>67,037</u>	<u>70,269</u>

Notes to the consolidated financial statements (continued)

For the year ended 31 March 2015

24 Directors' remuneration	2015 £	2014 £
Remuneration for qualifying services	611,751	545,774
	<u>611,751</u>	<u>545,774</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2014 - 5).

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>275,450</u>	<u>233,018</u>
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25 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015 Number	2014 Number
Office and management	17	17
Sales	11	9
Production	88	84
	<u>116</u>	<u>110</u>

Employment costs

	2015 £	2014 £
Wages and salaries	3,890,089	3,548,574
Social security costs	385,300	368,945
Other pension costs	147,639	231,024
	<u>4,423,028</u>	<u>4,148,543</u>

Notes to the consolidated financial statements (continued)
For the year ended 31 March 2015

26 Control

The company is under the ultimate control of the Cavendish 1956 Settlement.

27 Related party relationships and transactions

Group and Company

Lord and Lady Cavendish and The Hon Miss Lucy Cavendish are directors of the Company and also connected persons, in respect of their interest in Holker Holdings Limited Group, Holker Estate Trust and Corrie and Co Limited.

The group purchased £33,866 (2014: £66,238) from the group headed by Holker Holdings Limited in respect of services rendered and made sales of £242,740 (2014: £369,268) in respect of goods or services. During the year the group paid management charges of £464,048 (2013: £339,336) to the group headed by Holker Holdings Limited. At 31 March 2014 the group was owed £40,215 (2014: £54,792), and the group owed £13,931 (2014: £nil).

At 31 March 2015 a loan was due to the group headed by Holker Holdings Limited of £220,756 (2014: £227,340) and had interest paid of £9,660 (2014: £4,858).

The group purchased £946 (2014: £481) from Holker Estate Trust in respect of services rendered and paid royalties of £112,690 (2014: £111,564) during the year. At 31 March 2015 the group was due £nil (2014: £nil) and owed £nil (2014: £111,514).

The group also made purchases of £nil (2014: £750) from Corrie and Co Limited in respect of services rendered and made sales of £3,725 (2014: £2,255) for goods or services rendered. At 31 March 2015 the group was owed £nil (2014: £nil) and was owed £nil (2014: £372).