COMPANY REGISTRATION NUMBER 02517919

JND TECHNOLOGIES LIMITED

ACCOUNTS

31 DECEMBER 2015

JND TECHNOLOGIES LIMITED

ACCOUNTS

YEAR ENDED 31 DECEMBER 2015

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OFFICERS AND PROFESSIONAL ADVISERS

Board of Directors	S D Plant
Company Secretary	B A Watson
Registered office	Enterprise Way Retford Nottinghamshire DN22 7HH
Auditors	Nexia Smith & Williamson Statutory Auditor Chartered Accountants Portwall Place Portwall Lane Bristol BS1 6NA
Bankers	Barclays Bank plc One Snowhill Snowhill Queensway Birmingham B3 2WN

The Directors have pleasure in presenting their Report and the Accounts of the Company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the design and manufacture of industrial equipment including the supply of spare parts and site services.

RESULTS AND DIVIDENDS

The trading results for the year and the Company's financial position at the end of the year are shown in the attached Accounts.

The Directors consider the results for the year to be satisfactory and they are confident of the future prospects of the Company.

THE DIRECTORS

The Directors who served the Company during the year were as follows:

S D Plant
M Fowles-Smith (resigned 31 December 2015)
L S Musson (resigned 31 December 2015)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each person who was a Director at the time the report was approved:

- So far as that Director was aware there is no relevant available information of which the Company's auditors are unaware; and
- That Director had taken all steps that the Director ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

DIRECTOR'S RESPONSIBILITIES

The Director is responsible for preparing the Strategic Report, the Director's Report and the Accounts in accordance with applicable law and regulations.

Company law requires the Director to prepare Accounts for each financial year. Under that law the Director has elected to prepare the Accounts in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the Accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit of the Company for that period. In preparing these Accounts, the Director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Director is 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 enable him to ensure that the Accounts comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Director

B A Watson
Company Secretary

Approved by the Director on 28 September 2016

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2015

The Director presents his Strategic Report for the year ended 31 December 2015.

(a) **DEVELOPMENT PERFORMANCE AND POSITION**

The Director is satisfied with the trading results of the Company for the year and is confident of its future prospects.

(b) **PRINCIPAL RISKS AND UNCERTAINTIES**

The Directors of Langley Holdings plc manage the Group's risks at a group level rather than at an individual company level. For this reason, the Company's Director believes that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of JND Technologies Limited's business. The principal risks and uncertainties of Langley Holdings plc, which include those of JND Technologies Limited, are discussed in the Directors' Report of the Group's Annual Report which does not form part of this Report.

The management of the business and execution of the Company's strategy are subject to a number of risks.

The key business risks affecting the Company are considered to relate to national and international competitors.

(c) **FINANCIAL RISK MANAGEMENT**

The Company's operations expose it to a variety of financial risks, which include cash flow fluctuation.

The Company has a policy of maintaining sufficient cash levels and has committed credit facilities made available through the Group.

The policies set down by the Board of Directors are implemented by the Company's finance department and are subject to regular review by the Board.

(d) **KEY PERFORMANCE INDICATORS**

The Directors of Langley Holdings plc manage the Group's operations on a divisional basis. For this reason, the Company's Director believes that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of JND Technologies Limited. The key performance indicators of the Langley Holdings Group are discussed in the Directors' Report of the Group's Annual Report which does not form part of this Report.

By order of the Board

SD

S D Plant
Director

JND Technologies Limited
Registered in England and Wales
Company number 02517919

Date: 29/09/2016

INDEPENDENT AUDITORS REPORT TO THE MEMBER OF JND TECHNOLOGIES LIMITED

YEAR ENDED 31 DECEMBER 2015

We have audited the Accounts of JND Technologies Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's member 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 member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, 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 on page 3, the directors are responsible for the preparation of the Accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE ACCOUNTS

A description of the scope of an audit of Accounts is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON ACCOUNTS

In our opinion the Accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 the Directors' Report for the financial year for which the Accounts are prepared is consistent with the Accounts.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the Accounts 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.

Nexia Smith + Williamson

Michael Neale
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Portwall Place
Portwall Lane
Bristol BS1 6NA

Date: 30 September 2016

JND TECHNOLOGIES LIMITED

INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2015

	Notes	2015 €	2014 €
REVENUE	**1, 2**	8,608,878	8,219,396
Cost of sales		(6,346,798)	(6,007,787)
GROSS PROFIT		2,262,080	2,211,609
Operating expenses		(1,292,560)	(1,127,119)
OPERATING PROFIT	**3**	969,520	1,084,490
Finance income	**6**	3,782	8,430
PROFIT BEFORE TAXATION		973,302	1,092,920
Income tax	**7**	(136,987)	(174)
PROFIT FOR THE YEAR		836,315	1,092,746

All of the activities of the Company are classed as continuing. The profit for the year is attributable to the Equity holder of the Parent Company.

The notes on pages 12 to 30 form part of these Accounts.

JND TECHNOLOGIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2015

	Note	2015	2014
		€	€
Profit for the year		836,315	1,092,746
Other comprehensive income/(expense) for the year:			
Items which will not be reclassified to profit and loss			
Re-measurement gains/(losses) on defined benefit pension schemes net of deferred tax		90,324	(258,535)
Items which may be reclassified to profit and loss			
Exchange differences	**21**	118,441	110,828
Other comprehensive income/(expense) for the year		208,765	(147,707)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,045,080	945,039

The notes on pages 12 to 30 form part of these Accounts.

JND TECHNOLOGIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015 €	2015 €	2014 €	2014 €
NON-CURRENT ASSETS					
Investments	8		5		5
Property, plant and equipment	9		1,790,795		-
Deferred income tax assets	16		-		52,163
			1,790,800		52,168
CURRENT ASSETS					
Inventories	10	800,571		362,461	
Trade and other receivables	12	2,110,254		1,615,033	
Cash and cash equivalents	13	-		1,393,281	
		2,910,825		3,370,775	
CURRENT LIABILITIES					
Trade and other payables	14	(2,609,447)		(1,194,287)	
NET CURRENT ASSETS			301,378		2,176,488
TOTAL ASSETS LESS CURRENT LIABILITIES			2,092,178		2,228,656
NON-CURRENT LIABILITIES					
Retirement benefit obligations	15		(57,802)		(252,564)
Deferred tax	16		(118,178)		-
NET ASSETS			1,916,198		1,976,092
EQUITY					
Share capital	20		142		142
Retained earnings	21		1,916,056		1,975,950
TOTAL EQUITY			1,916,198		1,976,092

These Accounts were approved by the Directors on 29 September 2016 and are signed on their behalf by:

SDPlant

S D Plant
Director

Company registration number: 02517919

The notes on pages 12 to 30 form part of these Accounts.

JND TECHNOLOGIES LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2015

	Share Capital	Retained Earnings	Total Equity
	€	€	€
Balance at 1 January 2014	142	1,536,399	1,536,541
Changes in equity for the year ended 31 December 2014			
Re-measurement losses on defined benefit pension schemes net of deferred tax	-	(258,535)	(258,535)
Currency exchange difference arising on retranslation	-	110,828	110,828
Profit for the year	-	1,092,746	1,092,746
Total comprehensive income	-	945,039	945,039
Dividends paid	-	(505,488)	(505,488)
Balance at 31 December 2014	142	1,975,950	1,976,092
Changes in equity for the year ended 31 December 2015			
Re-measurement gain on defined benefit pension schemes net of deferred tax	-	90,324	90,324
Currency exchange difference arising on retranslation	-	118,441	118,441
Profit for the year	-	836,315	836,315
Total comprehensive income	-	1,045,080	1,045,080
Dividends paid	-	(1,104,974)	(1,104,974)
Balance at 31 December 2015	142	1,916,056	1,916,198

The notes on pages 12 to 30 form part of these Accounts.

JND TECHNOLOGIES LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2015

	Note	2015 €	2015 €	2014 €	2014 €
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from operations	**22**	549,103		807,882	
Interest received		3,782		8,430	
Income taxes recovered		1,344		(141,753)	
NET CASH GENERATED FROM OPERATING ACTIVITIES			554,229		674,559
CASH FLOWS FROM FINANCING ACTIVITIES					
Equity dividends paid			(1,104,974)		(505,488)
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital Expenditure			(1,790,795)		-
Net increase/(decrease) in cash and cash equivalents			(2,341,540)		169,071
Cash and cash equivalents at 1 January 2015			1,393,281		1,170,631
Effects of exchange rate changes on cash and cash equivalents			(14,919)		53,579
Cash and cash equivalents at 31 December 2015			(933,340)		1,393,281
CASH AND CASH EQUIVALENTS CONSISTS OF:					
Cash in hand and at bank	**13**		-		1,393,281
Bank overdraft			(933,340)		-
			(933,340)		1,393,281

The notes on pages 12 to 30 form part of these Accounts.

1. ACCOUNTING POLICIES

(a) Basis of preparation

JND Technologies Limited is a Company incorporated in the United Kingdom.

The Accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved for use in the European Union, applied in accordance with the provisions of the Companies Act 2006.

All accounting policies are consistent with those applied in the last annual Accounts for the year ended 31 December 2014.

The Accounts have been prepared on a historical cost basis.

New and amended standards which became effective during the year

Adjustments to the Accounts arising from the adoption of amendments to IAS 19 are disclosed below. There were a number of other Amendments to Standards, but none of these had a material impact on the Company in the current period.

New and amended standards which are not effective for the current period

IFRS 9, *Financial Instruments*, IFRS 15, *Revenue from Contracts with Customers* and IFRS 16, *Leases* are in issue but are not yet effective so the Company has not adopted these standards in these Accounts.

A number of Amendments and Improvements have also been issued but are not yet effective including dealing with presentation of revalued assets, acceptable methods of depreciation and consideration of material disclosures. The directors are currently assessing the impact of these new Standards, Improvements and Amendments on the Company's Accounts.

Amendments to IAS 19, *Defined Benefit Plans: Employee Contributions*

The Company has applied the amendments to IAS 19 to for the first time in the current year. The amendments permit contributions that are independent of the number of years of service to be recognised as a reduction in the service cost in the period in which the service is rendered. The amendments have not resulted in any change in the Company statement of financial position.

(b) Consolidation

The Company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EU and in accordance with the Companies Act 2006, is not required to produce, and has not published Consolidated Accounts.

1. ACCOUNTING POLICIES *(continued)*

(c) Revenue recognition

Revenue from sales of goods or services is recognised when the Company has delivered the products or completed the services and the customer has accepted them, and is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Revenue from construction contracts is recognised in accordance with the Company's accounting policy on construction contracts (see (e) below).

(d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Raw materials and consumables	-	Cost of purchase on first in, first out basis.
Work in progress	-	Cost of raw materials and labour, together with attributable overheads.

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

(e) Construction contracts

Contract costs are recognised when incurred. When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognise in a given period. The stage of completion is measured by reference to either the contract costs incurred up to the year end as a percentage of total estimated costs for each contract, or by reference to milestone conditions as defined in the contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Company presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceeds progress billings. Progress billings not yet paid by customers and retentions are included within 'trade and other receivables'.

The Company presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

1. ACCOUNTING POLICIES *(continued)*

(f) **Operating lease agreements**

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

(g) **Income taxes**

The income tax expense represents the sum of the income tax currently payable and deferred income tax.

Deferred income tax is provided, using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the Accounts. Deferred income tax assets relating to the carry-forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

Current and deferred income tax assets and liabilities are offset when the income taxes are levied by the same taxation authority and when there is a legally enforceable right to offset them.

(h) **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank and short term deposits with banks and similar financial institutions with a maturity of six months or less, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet. Borrowing costs are expensed as incurred.

(i) **Financial instruments**

Financial assets and financial liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables
Trade receivables do not carry any interest and are initially measured at their fair value and subsequently at their amortised cost, as reduced by appropriate allowances for estimated irrecoverable amounts.

Borrowings
Interest-bearing loans and overdrafts are recorded initially when the proceeds are received. Finance charges are accounted for at amortised cost using the effective interest method.

Investments
Investments represent the Company's holding in its subsidiaries and are presented as non-current assets and stated at cost less any impairment in value. Any impairment is charged to the Income Statement.

Trade payables
Trade payables are non-interest bearing and are initially measured at their fair value and subsequently at their amortised cost.

1. ACCOUNTING POLICIES *(continued)*

(j) **Foreign currency**

(a) Transactions and balances

Transactions in currencies other than Pounds Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each year-end, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

(b) Preparation of accounts

These Accounts have been presented in Euros because the majority of the Group's trade is conducted in this currency. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly. Exchange differences arising, if any, are classified as equity and transferred to a separate component of equity.

The average exchange rate during the year was €1.38 (2014 - €1.25) to the Pound Sterling. The opening exchange rate was €1.28 (2014 - €1.20) to the Pound Sterling and the closing exchange rate was €1.36 (2014 - €1.28) to the Pound Sterling.

(k) **Valuation of investments**

Investments held as non-current assets are stated at cost less any provision for a permanent impairment in value.

(l) **Pension obligations**

Employees are eligible to join a defined contribution stakeholder pension scheme, which is administered on behalf of the Company by a pension provider. A defined contribution scheme is a pension plan under which the Company pays fixed contributions into a separate entity. 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 Company to the fund. The scheme does not provide a gross minimum pension for contracting out of the state earnings related pension scheme. The annual contributions payable are charged to the Income Statement.

The Company also operates a scheme which provides defined benefits in respect of pre 1 April 1991 service and defined contribution benefits in respect of post 1 April 1991 service (the "hybrid scheme") for certain employees in the 'Jenkins Newell Dunford Group of Companies' and 'Clarke Chapman Group of Companies'.

1. ACCOUNTING POLICIES *(continued)*

(l) Pension obligations *(continued)*

The defined benefits section of the hybrid scheme is a final salary plan which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. Pensions in payment are generally updated in line with inflation.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method and is recognised in the Accounts of the Company, who is the principal employer. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits are paid.

It was agreed to allow for the full and immediate recognition in the Statement of Financial Position of the opening deficit at 1 January 2005 with any subsequent additional gains or losses being recognised in the year in which they occur outside of the profit and loss in the statement of comprehensive income.

The Company accounts for pension costs in accordance with IAS 19 'Employee Benefits'.

(m) Key assumptions and significant judgments

The preparation of the Accounts in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the Accounts. The areas where the most judgment is required are highlighted below:

(a) Pensions

The determination of the pension cost and defined benefit obligation of the Company's defined benefit pension schemes depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth, mortality and expected return on scheme assets. Differences arising from actual experiences or future changes in assumptions will be reflected in subsequent periods. See note 14 for further details.

(b) Revenue and margin recognition

The Company's revenue recognition and margin recognition in respect of construction contracts are central to the way in which the company values the work it has carried out each financial year. This policy requires forecasts to be made of the outcomes of the contracts, which require assessments and judgements to be made on the margin likely to be achieved, and hence the costs likely to be incurred.

(n) Property, Plant and Equipment

Property, Plant and Equipment consists of assets in the course of construction which are held at cost. Depreciation is due to commence when the asset is fully operational.

2. REVENUE

The revenue and profit before tax are attributable to the one principal activity of the Company. An analysis of revenue is given below:

	2015	2014
	€	€
Sale of goods	6,686,040	5,927,182
Revenue from construction contracts	1,922,838	2,292,214
	8,608,878	8,219,396

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2015	2014
	€	€
Auditor's remuneration	12,707	11,145
Operating lease costs		
- Land and buildings	41,436	37,360
Net (profit)/loss on foreign currency translation	(12,590)	3,351
Materials expense included in cost of sales	5,968,041	5,773,523

4. KEY MANAGEMENT PERSONNEL COMPENSATION

	2015	2014
	€	€
Salaries and short-term employee benefits	200,122	160,686
Post-employment benefits	8,416	4,935
	208,538	165,621

All of the above key management personnel compensation relates to Directors.

Director's Emoluments

	2015	2014
	€	€
Aggregate emoluments as Directors of the Company	184,589	146,947
Value of Group pension contributions to money purchase pension schemes	8,416	4,935
	193,005	151,882

	2015	2014
	No.	No.
Number of Directors who are accruing benefits under money purchase pension schemes	2	2

5. PARTICULARS OF EMPLOYEES

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

	2015	2014
	No.	No.
Administrative staff & management staff	16	16
Manufacturing staff	8	8
	24	24

The aggregate payroll costs of the above were:

	2015	2014
	€	€
Wages and salaries	826,488	727,262
Social security costs	81,490	69,365
Other pension costs	105,099	6,688
	1,013,077	803,315

6. FINANCE INCOME

	2015	2014
	€	€
Other income	3,782	8,430

7. INCOME TAX EXPENSE

(a) Charge for the year

	2015	2014
	€	€
Current income tax:		
Under provision in the prior year	-	(1,305)
Total current taxation	-	(1,305)
Deferred income tax:		
Effect of tax rate change	5,761	-
Origination and reversal of timing differences	131,226	356
Adjustments in respect of prior periods	-	1,123
Income tax expense	136,987	174

7. INCOME TAX EXPENSE *(continued)*

(b) Factors affecting income tax expense

	2015	2014
	€	€
Profit before taxation	973,302	1,092,920
Profit before taxation multiplied by the standard rate of tax of 20.25% (2014 – 21.49%)	197,094	234,869
Expenses not deductible for tax purposes	6,514	714
Other short term timing differences	43,178	1,130
IAS19 tax adjustment	(39,510)	(17,665)
Group relief claimed	(36,171)	(217,569)
Prior year adjustment	-	(1,305)
Income not taxable	(18,569)	-
Effect of tax rate change	(15,549)	-
Income tax (credit)/expense	136,987	174

Impact of future tax rate changes

Finance Act 2015, which received Royal Assent on 18 November 2015, includes legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. Accordingly, deferred tax has been calculated at the tax rate of 18%.

8. NON-CURRENT INVESTMENTS

	Investments in subsidiaries
Cost	€
At 1 January 2015 and 31 December 2015	5
Carrying amount	
At 31 December 2015	5
At 31 December 2014	5

The Company's investments in the ordinary share capital of unlisted companies at the year end date comprise the following:

Company	Country of Incorporation and Residence	Percentage Holding	Nature of Business
JND Manufacturing Limited	England	100	Dormant
JND Parts and Service Limited	England	100	Dormant

9. PROPERTY, PLANT AND EQUIPMENT

	Assets under construction	Total
	€	€
COST		
At 1 January 2014 and 1 January 2015	-	-
Additions	1,790,795	1,790,795
At 31 December 2015	1,790,795	1,790,795

10. INVENTORIES

	2015	2014
	€	€
Raw materials	800,571	362,461

11. CONSTRUCTION CONTRACTS

Construction contracts in progress at year end:

	2015	2014
	€	€
Amounts due from contract customers included in trade and other receivables (note 12)	161,568	319,538
Amounts due to contract customers included in trade and other payables (note 14)	(4,410)	-
	157,159	319,538
Contract costs incurred plus recognised profits less recognised losses to date	464,619	319,358
Less: progress billing	(307,460)	-
	157,159	319,358

12. CURRENT TRADE AND OTHER RECEIVABLES

	2015	2014
	€	€
Trade receivables	1,707,148	1,173,530
Amounts recoverable on construction contracts	161,568	319,538
Amounts owed by Group undertakings	19,282	49,573
Prepayments and accrued income	115,809	71,048
Corporation tax receivable	-	1,344
VAT receivable	106,447	-
	2,110,254	1,615,033

12. CURRENT TRADE AND OTHER RECEIVABLES *(continued)*

For terms and conditions relating to related party receivables, refer to note 19.

Trade receivables are shown net of provisions for bad and doubtful debts amounting to €49,722 (2014 - €54,311) an analysis of which is as follows:

	2015	2014
	€	€
Balance at beginning of the year	54,311	74,935
Exchange adjustments	3,309	4,262
Charge for the year	-	7,763
Amounts reversed	(7,898)	(26,719)
Amounts written off	-	(5,930)
Total bad debt provision	49,722	54,311

Trade receivables are non-interest bearing and are generally on 30 – 90 days terms.

At 31 December, the analysis of trade receivables that were past due but not impaired is as follows:

			(Past due but not impaired)			
	Total	Neither due nor impaired	<30 days	31-60 days	61-90 days	>91 days
	€	€	€	€	€	€
2015	1,707,148	1,375,883	169,842	141,190	-	20,233
2014	1,173,530	614,956	396,537	155,203	-	6,834

13. CASH AND CASH EQUIVALENTS

	2015	2014
	€	€
Cash in hand and at bank in current accounts	-	1,393,281

14. CURRENT TRADE AND OTHER PAYABLES

	2015	2014
	€	€
Trade payables	1,394,968	651,125
Other taxes and social security	25,213	21,475
Accruals and deferred income	128,269	260,380
VAT payable	-	46,918
Amounts owed to Group undertakings	123,247	214,389
Amounts due on construction contracts	4,410	-
Bank overdraft	933,340	-
	2,609,447	1,194,287

15. POST-EMPLOYMENT BENEFITS

The table below outlines where the company's post-employment amounts and activity are included in the Accounts.

	2015	2014
	€	€
Balance sheet obligations for:		
Defined pension benefits	(57,802)	(252,564)
Income statement charge included in operating expenses for:		
Defined pension benefits	(11,050)	(3,736)
Remeasurements credit/(charge) for:		
Defined pension benefits	129,834	(302,615)

The income statement charge included within operating expenses includes current service cost, interest cost and past service costs.

Hybrid scheme

The Company operates a scheme which provides defined benefits in respect of pre 1 April 1991 service and defined contribution benefits in respect of post 1 April 1991 service (the "hybrid scheme") for certain employees in the 'Jenkins Newell Dunford Group of Companies' and 'Clarke Chapman Group of Companies'. The Group also operates a defined contribution scheme for certain other employees within these 'groups'. The Company contributed to other personal defined contribution schemes of various employees.

The defined benefits section of the hybrid scheme is a final salary plan which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. Pensions in payment are generally updated in line with inflation. The scheme faces risks, as described below. Benefit payments are from trustee-administered funds. Assets held are governed by UK regulations and practice, as is the nature of the relationship between the Company and the trustees (or equivalent) and their composition. Responsibility for governance of the scheme – including investment decisions and contribution schedules – lies jointly with the Company and the board of trustees. The board of trustees must be composed of representatives of the Company and scheme participants in accordance with the scheme's regulations.

The amounts recognised in the balance sheet are determined as follows:

	2015	2014
	€	€
Present value of funded obligations	(3,478,969)	(3,461,538)
Fair value of plan assets	3,421,167	3,208,974
Total deficit of defined benefit pension plans and liability in the balance sheet	(57,802)	(252,564)

15. POST-EMPLOYMENT BENEFITS *(continued)*

The amount recognised in the income statement:

	2015	2014
	€	€
Expenses	(2,762)	(3,736)
Expected return on assets	-	-
Net interest cost	(8,288)	-
	(11,050)	(3,736)

The above amounts are included as an employee cost within net operating expenses.

Remeasurement of the net defined benefit liability to be shown in other comprehensive income:

	2015	2014
	€	€
Gain/(loss) from changes in financial assumptions	139,503	(452,055)
Gain from changes in demographic assumptions	40,055	41,096
Experience gains	37,293	-
Return on assets, excluding interest income	(87,017)	108,344
	129,834	(302,615)

Changes in present value of obligations:

	2015	2014
	€	€
Present value of obligations at start of the year	(3,461,538)	(2,819,712)
Expenses	-	(3,736)
Interest cost	(125,691)	(129,514)
Actuarial (loss)/gain on Scheme liabilities based on:		
- Changes in financial assumptions	139,503	(452,055)
- Changes in demographic assumptions	40,055	41,096
- Experience	37,293	-
Benefits paid	96,685	103,362
Exchange differences	(205,276)	(200,979)
Present value of obligation at end of the year	(3,478,969)	(3,461,538)

15. POST-EMPLOYMENT BENEFITS *(continued)*

Changes in the fair value of scheme assets:

	2015 €	2014 €
Fair value of scheme assets at the start of the year	3,208,974	2,795,674
Expenses	(2,762)	-
Interest income	117,403	129,514
Remeasurement of scheme assets	(87,017)	108,344
Contributions by employers	94,475	85,927
Benefits paid	(96,685)	(103,362)
Exchange differences	186,779	192,877
Fair value of scheme assets at the end of the year	3,421,167	3,208,974

The significant actuarial assumptions were as follows:

	2015	2014
Rate of increase in salaries	-	-
Discount rate	3.7%	3.4%
Inflation	3.1%	3.1%

The inflation assumption shown is for the Retail Price Index. The assumption for the Consumer Price Index at 31 December 2015 was 2.1%.

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

	2015	2014
Retiring at the end of the reporting period:		
- Male	22.1 years	22.2 years
- Female	24.4 years	24.5 years
Retiring 20 years after the end of the reporting period:		
- Male	23.8 years	24.0 years
- Female	26.3 years	26.4 years

15. POST-EMPLOYMENT BENEFITS *(continued)*

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.25%	Decrease by 3.4%	Increase by 3.4%
Inflation	0.25%	Increase by 0.3%	Decrease by 0.3%
Life expectancy	1 year	Increase by 3.9%	Decrease by 3.9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Scheme's assets are comprised as follows:

	2015		2014	
	Total €	%	Total €	%
Equity instruments (equities and equity funds)	2,114,000	62%	1,487,000	46%
Debt instruments	899,000	26%	737,000	23%
Government	162,000		306,000	
Corporate bonds (investment grade)	737,000		431,000	
Property	327,000	10%	410,000	13%
Cash and cash equivalents	81,167	2%	259,000	8%
Other	-		315,974	10%
Total	3,421,167	100%	3,208,974	100%

15. POST-EMPLOYMENT BENEFITS *(continued)*

Through its hybrid scheme, the Company is exposed to a number of risks, most of which are detailed below:

Asset volatility	The scheme's liabilities are calculated using a discount rate set with reference to corporate bond yields; if scheme assets underperform this yield, this will create a deficit. The scheme holds a significant proportion of equities, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term. The Company has reduced the level of investment risk by investing partially in assets that better match the liabilities. This process is ongoing with the purchase of a mixture of government and corporate bonds. The government bonds represent investments in UK government securities only. The corporate bonds are global securities with an emphasis on the UK.
Changes in bond yield	A decrease in corporate bond yields will increase scheme liabilities, although this will be partially offset by an increase in the value of the scheme's bond holdings.
Inflation risk	Some of the Company pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the schemes against extreme inflation). The majority of the scheme's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.
Life expectancy	The majority of the scheme's obligations are to provide benefits for the life of the member, so increase in life expectancy will result in an increase in the scheme liabilities. In the UK, inflationary increases result in higher sensitivity to changes in life expectancy.

The hybrid scheme currently has no asset-liability matching strategy. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. A large portion of assets in 2015 consists of equities and bonds, although the Company also invests in property and cash.

The Company has agreed that it will aim to eliminate the deficit in the hybrid scheme over the next 14 years. The next triennial valuations are due to be completed as at 31 July 2015. The Company considers that the contribution rates set at the last valuation date are sufficient to eliminate the deficit over the agreed period.

Expected contributions to post-employment benefit schemes for the year ending 31 December 2016 are €94,475.

The weighted average duration of the defined benefit obligation is 14 years.

15. POST-EMPLOYMENT BENEFITS *(continued)*

	2015	2014
	€	€
At 1 January 2015	252,564	24,038
Total expense recognised in the Income Statement	11,050	3,736
Actuarial (gains)/loss – financial assumptions	(139,503)	452,055
Actuarial gains – demographic assumptions	(40,055)	(41,096)
Actuarial gains – experience	(37,293)	-
Return on assets, excluding interest income	87,017	(108,344)
Contributions paid	(94,475)	(85,927)
Exchange differences	18,497	8,102
At 31 December 2015	57,802	252,564

16. DEFERRED INCOME TAX

The movement in the deferred income tax provision during the year was:

	2015	2014
	€	€
Deferred income tax assets:		
Balance at 1 January	52,163	9,006
Income Statement movement arising during the year	(136,987)	1,479
Charges to equity in the year	(39,510)	44,080
Exchange adjustments	6,156	(2,402)
Balance at 31 December	(118,178)	52,163

The provision for deferred income tax assets consists of the tax effect of timing differences in respect of:

	2015	2014
	€	€
Retirement benefit obligations	10,404	49,914
Accelerated tax depreciation	(129,205)	2,249
Short term timing differences	623	-
Balance at 31 December	(118,178)	52,163

17. CONTINGENCIES

A contingent liability exists at the year end in respect of Group VAT liabilities of €472,652 (2014 - €585,475).

The Company is party to a Group bank composite accounting arrangement and has given a guarantee to the bank in respect of all fellow subsidiaries' bank facilities, secured by a debenture dated 21 July 2014 over the assets of the Company in favour of Barclays Bank plc. At the year end there is €nil net borrowing under the arrangement (2014 - €nil).

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise bank overdrafts and trade payables. The main purpose of these financial instruments is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables and cash which arise directly from its operations.

The Company does not enter into any derivative transactions.

The main risks arising from the Company's financial instruments are foreign currency risk, credit risk and interest rate risk. Liquidity risk is not considered to be a main risk to the Company given the Company's cash and cash equivalents balances and availability of intercompany borrowings if required.

Foreign currency risk

The Company is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of other Group entities (which are principally Sterling, Euros and US dollars).

The Company publishes its Accounts in Euros and as a result, it is subject to foreign currency exchange translation risk in respect of the results and underlying net assets of the Company since the Euro is not its functional currency.

The Company does not utilise any hedging arrangements as the Directors do not consider that the risk posed is significant to the Company's operations.

The following table demonstrates the sensitivity to a reasonably possible change in the Sterling to Euro exchange rate, with all other variables held constant, of the Company's profit before tax due to changes in the fair value of monetary assets and liabilities.

	Increase/decrease in Sterling rate	Effect on profit before tax
		€
2015	+10%	97,131
	-10%	(79,471)
2014	+10%	125,016
	-10%	(102,286)

Credit risk

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the results that the Company's exposure to bad debt is not significant.

With respect to credit risk arising from the other financial assets of the Company, comprising of cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying amounts of these instruments.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates is solely the Company's overdraft obligations with floating interest rates. The Company is part of a cash pooling arrangement and the interest risk is therefore shared with other companies in the Group. The interest rate risk of the Group is discussed further in the accounts of Langley Holdings plc.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

The Company does not utilise any hedging arrangements given the limited impact on the Company of any change in interest rate.

Capital risk management

The Company manages capital to ensure adequate resources are retained for the continued growth of the Company. Access to capital includes the availability of funding through agreed credit facilities.

19. RELATED PARTY TRANSACTIONS

During the year the Company made purchases of €200,529 (2014 - €322,650) from Pressure Engineering International Limited and purchases of €30,537 (2014 - €nil) from the Clarke Chapman Group.

At 31 December 2015 the Company owed Langley Holdings plc €20,380 (2014 - €112,854), Clarke Chapman €9,624 (2014 - €nil) and Pressure Engineering International Limited €84,867 (2014 – €61,990).

At 31 December 2015 the Company was owed €9,411 (2014 - €8,780) from Claudius Peters (UK) Limited.

During the year, the Company incurred a management charge from Langley Holdings plc of €184,430 (2014 - €167,389). The company charged management charges of €91,452 (2014 - €99,518) to Pressure Engineering International Limited and €16,359 (2014 - €8,484) to Oakdale Homes Limited.

The Company is controlled by Langley Holdings plc which is itself controlled by A J Langley, a Director of the Company.

Terms and conditions of transactions with related parties

Transactions with related parties are made at normal prices. Outstanding balances at the year end are unsecured, interest free and settlement occurs in cash.

20. SHARE CAPITAL

Authorised Share Capital:

	2015	2014
	€	€
1,000 Ordinary Shares of £1 each	1,420	1,420

Allotted, called up and fully paid:

	2015		2014	
	No.	€	No.	€
Ordinary shares of £1 each	100	142	100	142

21. RETAINED EARNINGS

Included within the retained earnings of the Company are foreign exchange reserves of €637,689 (2014 - €519,248).

The net currency exchange difference arising on retranslation in the year was a gain of €118,441 (2014 – gain of €110,828). The foreign currency translation reserves contain accumulated foreign currency translation differences from the translation of the Accounts of the Company into its presentational currency.

22. CASH GENERATED FROM OPERATIONS

	2015	2014
	€	€
Profit before taxation	973,302	1,092,920
Net interest income	(3,782)	(8,430)
(Increase)/decrease in inventories	(438,110)	62,061
(Increase)/decrease in trade and other receivables	(496,565)	605,887
Increase/(decrease) in trade and other payables	481,820	(928,639)
Exchange adjustments	115,863	66,275
Movement in retirement benefit obligations	(83,425)	(82,192)
Cash generated from operations	549,103	807,882

23. ULTIMATE PARENT COMPANY

The immediate and ultimate Parent Company is Langley Holdings plc, a Company registered in England. Copies of the Accounts of Langley Holdings plc may be obtained from the Registrar of Companies.

24. POST BALANCE SHEET EVENT

On 1 January 2016, the trade and related assets of the Reader Division were transferred to a fellow group company, Reader Cement Products Limited (formerly known as Reader Grout and Equipment Limited).