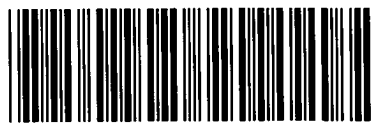


Company Registration No. 05047778 (England and Wales)

HLMAD LIMITED T/A HLM
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2015

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COMPANIES HOUSE

HLMAD LIMITED T/A HLM

DIRECTORS AND ADVISERS

Directors

C D Liddle
C J Buckingham
D M Cafferty
J G Clarke
K S Mosley
N J Beecroft
R M O'Neil
M Staniland

Secretary

K S Mosley

Company number

05047778

Registered office

46 Loman Street
LONDON
SE1 0EH

Registered auditors

Johnston Carmichael LLP
227 West George Street
GLASGOW
G2 2ND

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HLMAD LIMITED T/A HLM

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Review of the business

During the year HLM celebrated the 50th Anniversary of the business being founded.

This business continues to be well respected in its chosen marketplaces of Healthcare, Education, Justice, Residential, Commercial and Defence and we are delighted that the quality of projects has again led to winning numerous design awards during the year.

We achieved the targets set out in our Business Plan for architectural design quality, business profile and financial performance. Our strategy of continuing to actively manage the business continues in a commercial manner is based upon the provision of sustainable, high quality design services to our clients with the Directors leading the design process, encouraging, motivating and leading the team by example.

Alongside this we have continued to dynamically shape the business to reflect the changing economic environment by focusing on being creative, innovative and as flexible as possible about the way we work together.

Our strong financial footing has not only allowed us to meet the challenges of the economic downturn of the last few years, but also allowed us to pursue our strategy of continuing to invest in our UK business whilst simultaneously developing our international presence.

Our business in Johannesburg, South Africa continues to make a significant contribution from where we continue to capitalise on the significant opportunities across Sub-Saharan Africa.

In Abu Dhabi we have continued to increase HLM's business profile across the Middle East where we have been successful in securing a number of new commissions. We continue to see significant opportunities for our growing business in this region.

We formed a joint venture during the year with GreenBuild Consult to create HLMGreenBuild.

HLM's sustainability practice has a dedicated in-house team that champions strategies for sustainable design and sets demanding environmental targets to ensure that projects address sustainability as a fully integrated part of the design process.

GreenBuild is a sustainable construction consultancy, which won BREEAM 2015 Assessor Company of the Year at the BREEAM Awards.

The first alliance of its kind, HLMGreenBuild will provide comprehensive, design-led, integrated sustainability consultancy and thus provide solutions across the entire project process, from the sustainability and design strategy through to compliance, construction on site and ongoing operations.

HLMAD LIMITED T/A HLM

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

Financial performance

The Directors are pleased with the financial performance of the group during the year and that we have been successful in capitalising on an improving economy in key markets.

Corporate Governance

The company is independently managed with its own board which meets monthly.

Efficient management of the company is led by our Executive Board which also meets monthly. In monitoring and controlling the performance of the business, the Executive Board focuses on a number of key performance indicators covering such matters as staff utilisation, project profitability and cash management.

Staff

For many years HLM has cultivated a "one team" culture with staff firmly at its core and have always taken the development of our staff seriously.

As part of our continued long-term investment in the group, we have launched The Academy – an in-house professional excellence programme which will help ensure that all employees have the opportunity and resources to reach their full potential.

The Academy is a significant investment as it is available to all staff, across all disciplines, based across the entire group.

Each employee is provided with a personalised career development plan which identifies their strengths, whilst working on those areas where further support and training is required. The Academy will also help those who wish to develop specific aspects of their role or take on additional responsibilities creating a blueprint for their career.

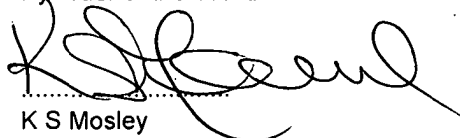
Our commitment to staff development has already been recognised by the industry with HLM being ranked by Building Magazine as one of the top "Good Employers" in the construction sector.

Future prospects

Trading performance in the new financial year is in line with expectations and our Business Plan.

In order to take further advantage of the improving economic climate, HLM is establishing an office in Dubai, further strengthening our presence in the Middle East.

By order of the board



K S Mosley

Secretary

27 November 2015

HLMAD LIMITED T/A HLM

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2015

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

Results and dividends

The consolidated profit and loss account for the year is set out on page 7.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 April 2014:

C D Liddle
C J Buckingham
D M Cafferty
J G Clarke
K S Mosley
N J Beecroft
R M O'Neil
M Staniland

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

HLMAD LIMITED T/A HLM

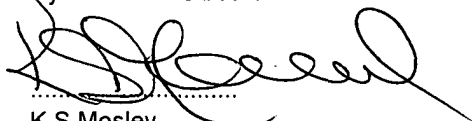
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

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.

By order of the board



K S Mosley

Secretary

27 November 2015

HLMAD LIMITED T/A HLM

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HLMAD LIMITED T/A HLM

We have audited the group and parent company financial statements (the "financial statements") of HLMAD Limited T/A HLM for the year ended 31 March 2015 set out on pages 7 to 26. 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 3 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the 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.

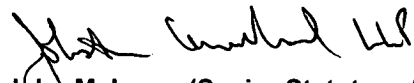
HLMAD LIMITED T/A HLM

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF HLMAD LIMITED T/A HLM

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.



John McLaren (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

11/12/15

Chartered Accountants
Statutory Auditor

227 West George Street
GLASGOW
G2 2ND

HLMAD LIMITED T/A HLM

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	Notes	2015 £	2014 £
Turnover	2	15,647,335	12,224,150
Cost of sales		(9,902,530)	(7,455,860)
Gross profit		5,744,805	4,768,290
Administrative expenses		(5,131,311)	(4,585,130)
Other operating income		284	26,867
Operating profit	3	613,778	210,027
Other interest receivable and similar income		376	-
Interest payable and similar charges	4	(7,994)	(4,829)
Profit on ordinary activities before taxation		606,160	205,198
Tax on profit on ordinary activities	5	(105,941)	(69,756)
Profit on ordinary activities after taxation		500,219	135,442
Minority interests		(10,697)	(7,708)
Profit for the financial year	6	489,522	127,734

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

HLMAD LIMITED T/A HLM

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2015

	2015 £	2014 £
Profit for the financial year	500,219	135,442
Currency translation differences on foreign currency net investments	(861)	(7,188)
Total recognised gains and losses relating to the year	<u>499,358</u>	<u>128,254</u>

HLMAD LIMITED T/A HLM

BALANCE SHEETS

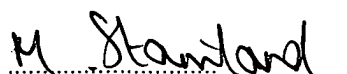
AS AT 31 MARCH 2015

	Notes	Group 2015 £	2014 £	Company 2015 £	2014 £
Fixed assets					
Tangible assets	9	810,977	415,228	638,823	340,610
Investments	10	-	-	26,040	26,040
		<u>810,977</u>	<u>415,228</u>	<u>664,863</u>	<u>366,650</u>
Current assets					
Debtors	11	5,131,532	4,893,424	4,875,295	4,393,922
Cash at bank and in hand		943,964	51,443	691,185	23,983
		<u>6,075,496</u>	<u>4,944,867</u>	<u>5,566,480</u>	<u>4,417,905</u>
Creditors: amounts falling due within one year	12	(5,143,619)	(3,894,332)	(4,547,950)	(3,383,582)
Net current assets		<u>931,877</u>	<u>1,050,535</u>	<u>1,018,530</u>	<u>1,034,323</u>
Total assets less current liabilities		<u>1,742,854</u>	<u>1,465,763</u>	<u>1,683,393</u>	<u>1,400,973</u>
Creditors: amounts falling due after more than one year	13	(70,644)	-	(70,644)	-
Provisions for liabilities	14	(45,260)	-	(36,210)	-
		<u>1,626,950</u>	<u>1,465,763</u>	<u>1,576,539</u>	<u>1,400,973</u>
Capital and reserves					
Called up share capital	16	168,016	196,000	168,016	196,000
Other reserves	17	17,853	(9,270)	31,984	4,000
Profit and loss account	17	1,419,440	1,256,714	1,376,539	1,200,973
Shareholders' funds	19	<u>1,605,309</u>	<u>1,443,444</u>	<u>1,576,539</u>	<u>1,400,973</u>
Minority interests	18	21,641	22,319	-	-
		<u>1,626,950</u>	<u>1,465,763</u>	<u>1,576,539</u>	<u>1,400,973</u>

Approved by the Board and authorised for issue on 27 November 2015



C D Liddle
Chairman



M Staniland
Director

Company Registration No. 05047778

HLMAD LIMITED T/A HLM

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

	£	2015 £	£	2014 £
Net cash inflow/(outflow) from operating activities		1,910,312		(425,426)
Returns on investments and servicing of finance				
Interest received	376		-	
Interest paid	(7,994)		(4,829)	
Dividends paid to minorities	(11,375)		-	
Net cash outflow for returns on investments and servicing of finance		(18,993)		(4,829)
Taxation		(30,144)		81,255
Capital expenditure and financial investment				
Payments to acquire intangible assets	-		(9,995)	
Payments to acquire tangible assets	(531,100)		(252,092)	
Payments to acquire investments	-		(26,040)	
Net cash outflow for capital expenditure		(531,100)		(288,127)
Equity dividends paid		-		(40,600)
Net cash inflow/(outflow) before management of liquid resources and financing		1,330,075		(677,727)
Financing				
Purchase of own shares	(326,796)		(26,000)	
Issue and purchase of shares	(326,796)		(26,000)	
Capital element of finance leases and hire purchase contracts	(43,814)		-	
Increase/(decrease) in debt	(43,814)		-	
Net cash outflow from financing		(370,610)		(26,000)
Increase/(decrease) in cash in the year		959,465		(703,727)

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2015	2014
		£	£
	Operating profit	613,778	210,027
	Depreciation of tangible assets	307,873	247,177
	Amortisation of intangible assets	-	36,035
	Increase in debtors	(253,163)	(1,880,064)
	Increase in creditors within one year	1,241,323	955,903
	Net effect of foreign exchange differences	501	5,496
	Net cash inflow/(outflow) from operating activities	1,910,312	(425,426)

2	Analysis of net funds/(debt)	1 April 2014	Cash flow	Other non-cash changes	31 March 2015
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	51,443	892,521	-	943,964
	Bank overdrafts	(233,608)	66,943	-	(166,665)
		(182,165)	959,464	-	777,299
	Finance leases	-	43,814	(173,883)	(130,069)
	Net (debt)/funds	(182,165)	1,003,278	(173,883)	647,230

3	Reconciliation of net cash flow to movement in net funds/(debt)	2015	2014
		£	£
	Increase/(decrease) in cash in the year	959,464	(692,300)
	Cash outflow from decrease in debt	43,814	-
	Change in net debt resulting from cash flows	1,003,278	(692,300)
	New finance lease and hire purchase contracts	(173,883)	-
	Movement in net funds/(debt) in the year	829,395	(692,300)
	Opening net (debt)/funds	(182,165)	510,135
	Closing net funds/(debt)	647,230	(182,165)

HLMAD LIMITED T/A HLM

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), which have been applied consistently (except as otherwise stated).

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 invoices, net of VAT, raised in the year which are adjusted for movements in the level of amounts recoverable on contracts.

Contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract and credit is taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty.

Turnover is only recognised in the financial statements when there is a contractual right to consideration.

1.5 Goodwill

Acquired goodwill has been written off in the year of acquisition.

1.6 Tangible fixed assets and depreciation

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

Leasehold improvements	- 5 and 6 years straight line
Equipment	- 5 years straight line
Computer equipment	- 2 to 3 years straight line
Fixtures and fittings	- 5 and 10 years straight line

1.7 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.

1.8 Investments

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

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

1 Accounting policies

(Continued)

1.9 Amounts recoverable on contracts

Amounts recoverable on contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.10 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.11 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.12 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 profit and loss account.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2015 £	2014 £
Geographical segment		
UK	14,599,774	11,636,629
Rest of the world	1,047,561	587,521
	<u>15,647,335</u>	<u>12,224,150</u>

HLMAD LIMITED T/A HLM

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	-	36,035
	Depreciation of tangible assets	307,873	247,177
	Loss on foreign exchange transactions	21,393	8,451
	Operating lease rentals		
	- Plant and machinery	13,289	15,363
	- Other assets	711,082	589,434
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £13,775; 2014: £13,750)	20,225	25,500
		<u> </u>	<u> </u>
4	Interest payable	2015	2014
		£	£
	On bank loans and overdrafts	1,523	3,255
	Lease finance charges and hire purchase interest	3,510	-
	Other interest	2,961	1,574
		<u> </u>	<u> </u>
		<u>7,994</u>	<u>4,829</u>

HLMAD LIMITED T/A HLM

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	92,252	34,790
	Adjustment for prior years	(57,085)	-
		<u>35,167</u>	<u>34,790</u>
	Foreign corporation tax		
	Other foreign tax	11,918	-
		<u>47,085</u>	<u>34,790</u>
	Total current tax		
		<u>47,085</u>	<u>34,790</u>
	Deferred tax		
	Deferred tax charge	58,856	27,704
	Adjustments resulting from changes in tax rates	-	7,262
		<u>58,856</u>	<u>34,966</u>
		<u>105,941</u>	<u>69,756</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>606,160</u>	<u>205,198</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21% (2014 - 23%)	<u>127,294</u>	<u>47,196</u>
	Effects of:		
	Non-deductible expenses	35,201	18,580
	Capital allowances in excess of depreciation	(68,352)	(25,760)
	Adjustments to previous periods	(57,085)	-
	Other short term timing differences	10,129	(1,234)
	Marginal relief	(102)	(3,992)
		<u>(80,209)</u>	<u>(12,406)</u>
	Current tax charge for the year	<u>47,085</u>	<u>34,790</u>

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>502,362</u>	<u>99,125</u>

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

7	Dividends	2015	2014
		£	£
	Ordinary interim paid	-	20,300
8	Intangible fixed assets Group		Goodwill
			£
	Cost		
	At 1 April 2014 & at 31 March 2015		36,035
	Amortisation		
	At 1 April 2014 & at 31 March 2015		36,035
	Net book value		
	At 31 March 2015		-
	At 31 March 2014		-

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

9 Tangible fixed assets

Group	Leasehold improvements	Equipment	Computer equipment	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2014	667,522	63,133	718,623	358,345	1,807,623
Additions	3,054	92,782	566,322	42,825	704,983
Exchange differences	-	-	(1,076)	(1,087)	(2,163)
Disposals	-	(12,859)	(170,438)	(232,174)	(415,471)
At 31 March 2015	670,576	143,056	1,113,431	167,909	2,094,972
Depreciation					
At 1 April 2014	605,755	51,167	410,323	325,150	1,392,395
Exchange differences	-	-	(623)	(179)	(802)
On disposals	-	(12,859)	(170,438)	(232,174)	(415,471)
Charge for the year	16,396	17,538	257,448	16,491	307,873
At 31 March 2015	622,151	55,846	496,710	109,288	1,283,995
Net book value					
At 31 March 2015	48,425	87,210	616,721	58,621	810,977
At 31 March 2014	61,767	11,966	308,300	33,195	415,228

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

	Computer equipment	Fixtures and fittings	Total
	£	£	£
Net book values			
At 31 March 2015	147,166	-	147,166
Depreciation charge for the year			
31 March 2015	36,859	-	36,859

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

9 Tangible fixed assets

(Continued)

Tangible fixed assets

Company

	Leasehold improvements	Equipment	Computer equipment	Fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2014	635,647	63,133	657,194	337,926	1,693,900
Additions	3,054	82,604	446,326	29,692	561,676
Disposals	-	(12,859)	(170,438)	(232,174)	(415,471)
At 31 March 2015	638,701	132,878	933,082	135,444	1,840,105
Depreciation					
At 1 April 2014	600,191	51,167	379,545	322,387	1,353,290
On disposals	-	(12,859)	(170,438)	(232,174)	(415,471)
Charge for the year	16,396	16,652	222,057	8,358	263,463
At 31 March 2015	616,587	54,960	431,164	98,571	1,201,282
Net book value					
At 31 March 2015	22,114	77,918	501,918	36,873	638,823
At 31 March 2014	35,456	11,966	277,649	15,539	340,610

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

	Computer equipment	Fixtures and fittings	Total
	£	£	£
Net book values			
At 31 March 2015	147,166	-	147,166
Depreciation charge for the year			
31 March 2015	36,859	-	36,859

HLMAD LIMITED T/A HLM

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 & at 31 March 2015	26,040
Net book value	
At 31 March 2015	26,040
At 31 March 2014	26,040

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	Shares held	
		Class	%
Subsidiary undertakings			
Llewelyn Davies Weeks Limited	England and Wales	Ordinary	100.00
Sidell Gibson Limited	England and Wales	Ordinary	100.00
Steyn & Viljoen Architects (Pty) Limited	South Africa	Ordinary	81.25
33 Design Limited	England and Wales	Ordinary	100.00

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Llewelyn Davies Weeks Limited	Architects
Sidell Gibson Limited	Architects
Steyn & Viljoen Architects (Pty) Limited	Architects
33 Design Limited	Architects

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2015

11 Debtors

	Group 2015 £	2014 £	Company 2015 £	2014 £
Trade debtors	4,084,243	3,525,037	3,664,541	2,762,794
Amounts recoverable on contracts	355,499	755,989	240,106	553,621
Amounts owed by group undertakings	-	-	402,193	583,903
Corporation tax	-	4,755	-	-
Other debtors	135,444	105,466	92,985	74,065
Prepayments and accrued income	556,346	491,877	475,470	392,267
Deferred tax asset (see note 14)	-	10,300	-	27,272
	<u>5,131,532</u>	<u>4,893,424</u>	<u>4,875,295</u>	<u>4,393,922</u>

12 Creditors : amounts falling due within one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank loans and overdrafts	166,665	233,608	166,665	232,753
Payments received on account	1,015,640	729,603	907,890	623,694
Net obligations under finance lease and hire purchase contracts	59,425	-	59,425	-
Trade creditors	1,526,630	924,666	1,414,105	823,979
Corporation tax	54,543	39,061	17,503	26,025
Taxes and social security costs	1,325,516	972,176	1,137,284	855,091
Other creditors	122,210	72,155	100,505	15,196
Accruals and deferred income	872,990	923,063	744,573	806,844
	<u>5,143,619</u>	<u>3,894,332</u>	<u>4,547,950</u>	<u>3,383,582</u>

The company's bank overdraft is secured by a debenture including a fixed charge over all present freehold and leasehold property, a first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and a first floating charge over all assets and undertakings, both present and future.

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

13 Creditors : amounts falling due after more than one year

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Net obligations under finance leases and hire purchase agreements	70,644	-	70,644	-
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	59,425	-	59,425	-
Repayable between one and five years	70,644	-	70,644	-
	130,069	-	130,069	-
Included in liabilities falling due within one year	(59,425)	-	(59,425)	-
	70,644	-	70,644	-

14 Provisions for liabilities **Group**

	Deferred taxation
	£
Balance at 1 April 2014	(10,300)
Profit and loss account	55,560
Balance at 31 March 2015	45,260

Company

Balance at 1 April 2014	(27,272)
Profit and loss account	63,482
Balance at 31 March 2015	36,210

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2015

14 Provisions for liabilities

(Continued)

The deferred tax liability is made up as follows:

	Group 2015 £	2014 £	Company 2015 £	2014 £
Accelerated/(decelerated) capital allowances	53,581	(10,300)	38,829	(27,272)
Other timing differences	(8,321)	-	(2,619)	-
	<u>45,260</u>	<u>(10,300)</u>	<u>36,210</u>	<u>(27,272)</u>

15 Retirement Benefits

Defined contribution scheme

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 company to the fund.

	2015 £	2014 £
Contributions payable by the group for the year	<u>184,464</u>	<u>18,449</u>
16 Share capital	2015 £	2014 £
Allotted, called up and fully paid		
168,016 Ordinary shares of £1 each	<u>168,016</u>	<u>196,000</u>

During the year, the company repurchased 27,984 ordinary shares of £1 each for a consideration of £326,796.

Enterprise Management Incentive Scheme

During the year ended 31 March 2013, the company set up an EMI scheme and granted 4,000 share options to a director with an exercise price of £2.35. The options granted had the following conditions attached:

The director must remain as an officer of the company to the date of exercise.

The options will lapse 10 years from issue.

No options were exercised during the year ended 31 March 2015.

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

17 Statement of movements on reserves **Group**

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2014	(9,270)	1,256,714
Profit for the year	-	489,522
Purchase of own shares	-	(326,796)
Foreign currency translation differences	(861)	-
Movement during the year	27,984	-
Balance at 31 March 2015	<u>17,853</u>	<u>1,419,440</u>

Other reserves

Capital redemption reserve

Balance at 1 April 2014 & at 31 March 2015	4,000
Capital redemption reserve	27,984

Balance at 31 March 2015

31,984

Other reserves

Balance at 1 April 2014	(13,270)
Currency translation reserve	(861)

Balance at 31 March 2015

(14,131)

Company

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2014	4,000	1,200,973
Profit for the year	-	502,362
Purchase of own shares	-	(326,796)
Movement during the year	27,984	-
Balance at 31 March 2015	<u>31,984</u>	<u>1,376,539</u>

Other reserves

Capital redemption reserve

Balance at 1 April 2014 & at 31 March 2015	4,000
Capital redemption reserve	27,984

Balance at 31 March 2015

31,984

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

18	Minority interests	2015	2014
		£	£
	Minority interests' share of net assets and liabilities in subsidiary undertakings	21,641	22,319
19	Reconciliation of movements in shareholders' funds	2015	2014
	Group	£	£
	Profit for the financial year	489,522	127,734
	Dividends	-	(20,300)
		489,522	107,434
	Other recognised gains and losses	(861)	(7,188)
	Purchase of own shares	(326,796)	(26,000)
		161,865	74,246
	Net addition to shareholders' funds	1,443,444	1,369,198
	Opening shareholders' funds		
		1,605,309	1,443,444
		2015	2014
	Company	£	£
	Profit for the financial year	502,362	99,125
	Dividends	-	(20,300)
	Purchase of own shares	(326,796)	(26,000)
		175,566	52,825
	Net addition to shareholders' funds	1,400,973	1,348,148
	Opening shareholders' funds		
		1,576,539	1,400,973

HLMAD LIMITED T/A HLM

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2015**

20 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	158,651	156,149	12,840	12,840
Between two and five years	482,553	331,522	-	29,624
In over five years	-	80,000	-	-
	<u>641,204</u>	<u>567,671</u>	<u>12,840</u>	<u>42,464</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	26,023	8,381	12,840	12,840
Between two and five years	365,576	289,326	-	-
In over five years	-	80,000	-	-
	<u>391,599</u>	<u>377,707</u>	<u>12,840</u>	<u>12,840</u>

21 Directors' remuneration

	2015	2014
	£	£
Remuneration for qualifying services	1,007,933	893,657
Company pension contributions to defined contribution schemes	22,686	7,000
	<u>1,030,619</u>	<u>900,657</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2014 - 1).

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

Remuneration for qualifying services	<u>187,193</u>	<u>190,000</u>
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