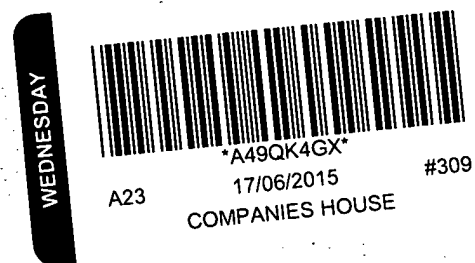


Financial Statements Garbol Limited

For the year ended 30 September 2014



Registered number: 05635505

Company Information

Directors

M T Morris
K J Breen
M R Lethaby
D R Hillman

Company secretary

D R Hillman

Registered number

05635505

Registered office

1 Tamdown Way
Braintree
Essex
CM7 2QL

Independent auditor

Grant Thornton UK LLP
Chartered Accountants & Statutory Auditor
80 Compair Crescent
Ipswich
Suffolk
IP2 0EH

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Group Strategic Report

For the year ended 30 September 2014

Business review

The Board believes the performance in the year continues to confirm the quality of the management team, the Group's employees and supply chain. The business is benefitting from the recovery in the market, which had taken hold by the summer, and is now seeing the early signs of growth. The steadily rising market is now anticipated to continue for the foreseeable future.

Politicians are united in calling for substantially increased new housebuilding with Government schemes in place to assist buyers, particularly the Help to Buy scheme which has been extended to 2020.

The Government and industry believes at least 240,000 new houses per annum are required to begin to reduce the large backlog. Housing is seen as the engine room of the UK's economy.

Our portfolio of bluechip clients continues to increase and is reflected in the strength of our order book which is now at a record level of £142m.

The particularly strong performance of Triconnex Limited (the utilities division) has seen significant growth in the year with turnover of £12.25m (2013 £6.5m). The Triconnex Limited order book extends to 15 years and now stands at £53m (2013 £21.8m). The business is forecasting continued growth in the next few years as the market continues to expand.

A successful recruitment drive has been an important factor in the year attracting skilled and experienced staff to the business as the industry faces up to the challenge of a major acceleration in the new build projects. We are pleased to have been awarded the Best Employer in Essex for Triconnex and Customer Focus for Tamdown Group from the Best Employer Eastern Region Awards.

Principal risks and uncertainties

The principal risks of the business comprise:

Credit Risk

Group policies are aimed at minimising exposure to bad debt. We review the credit rating of existing customers quarterly. In addition we have a very robust selection process on all tenders from companies for which we have not previously worked. This assessment includes profitability, payment record and balance sheet strength - we currently decline 35% of opportunities from new companies.

Competitive Risk

The market is improving with clients looking for robust companies to support their own business growth. Challenges are coming from attracting sufficient labour resources to be able to undertake the anticipated workload from the market growth. Tamdown has a great reputation in the industry for training and looking after staff, making us an employer of choice.

Raw materials are increasing in price as demand increases. Our strong long term relationships with our suppliers alongside our positive credit position help the business to negotiate competitive prices for materials.

Contractual Risk

The business works under a number of contract forms subject to sector and client. We assess each contract prior to commencement to agree content and mitigate risk. Our long term relationships and familiarity with most contract types are significant factors in managing our risk. The setting up of a Technical/Legal department is further reducing this risk.

Group Strategic Report (continued)

For the year ended 30 September 2014

Financial key performance indicators

Our key performance indicators are :

• Turnover	£108.35m	(2013 £82.65m - a 31% increase in the year)
• Gross profit	£17.203m	(2013 £12.36m - a 45% increase in the year)
• Gross profit margin	15.88%	(2013 14.95% - a 1% increase in the year)
• Cash	£20.4m	(2013 £16m - a 28% increase in the year)
• Order book	£142m	(2013 £85.3m - a 67% increase in the year)

We have seen an improvement in our gross profit margin in the year as demand for the group's services has risen. This has been supported by the controls on cost which were already in place..

We have invested £1.8m in our plant and equipment during the year to support the growth of the business. The fleet has been extended in addition to updating where required. This ensures that the safest, as well as the most efficient, equipment is available to our staff.

Other key performance indicators

Non-Financial

Environmental

No incidents or prosecutions for this period alongside external audits from the Environment Agency and BSI show that the Group remains compliant and competent.

Our on-going environmental objectives for the Group are to educate our workforce, reduce waste, to increase recycling of materials, to reduce emissions and to reduce energy consumption. Our HSQE Team carries out audits of our sites and office and reports to the board each month.

Health and Safety

No incidents or prosecutions for this period alongside external audits from Clients and BSI show that the Group remains compliant and competent.

Health and Safety is at the forefront of our business and there is an on-going commitment to continuous improvement across the business.

We gained our fifth RoSPA Gold Award in this period placing us in an elite group within the industry.

Our Health and Safety statistics are much better than the industry average and we are proud of our achievements from our on-going annual improvement programme.

Our KPI's for Health and Safety are:

- AIR and AFR figures below the industry average
- To monitor near miss reporting and act on the information
- To raise awareness and improvements through a programme of Behavioural Safety (WorkSmart) including Worker Engagement.

Group Strategic Report (continued)

For the year ended 30 September 2014

Our systems are audited by the BSI and we are accredited with OHSAS 18001 Health and Safety Standard, ISO 9001 Quality Standard and ISO 14001 Environmental Standard. Our HSQE Team carries out audits of our sites and office and reports to the board each month.

This report was approved by the board and signed on its behalf.



D R Hillman

Director

Date: 15 MAY 2015

Directors' Report

For the year ended 30 September 2014

The directors present their report and the financial statements for the year ended 30 September 2014.

Directors' responsibilities statement

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

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

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

Principal activities

The Group provides a range of construction services in public and private housing, defence and energy sectors. Those services comprise 1) infrastructure 2) high rise 3) utilities and 4) remediation. A full list of clients and services is available to view on the company website www.tamdown.com.

Results and dividend

The profit for the year, after taxation, amounted to £4,080,031 (2013 - £2,438,712).

The directors have recommended and paid a dividend of £165,691 (2013 £500,000).

Directors

The directors who served during the year were:

P D Holliday OBE (deceased 14 February 2015)
M T Morris
K J Breen
M R Lethaby
D R Hillman

Directors' Report

For the year ended 30 September 2014

Future developments

We believe that the business is well placed to benefit from the upswing in the housebuilding industry. There is a sense of real optimism returning.

Our order book and cash reserves provide a strong base on which to build growth.

Our main clients are the leading UK housebuilding groups who will be responsible for the great majority of the new housebuilding over the next few years.

The Group's focus is on the very large, multi-phase projects which lends additional revenue visibility beyond what is in the formal order book.

Management is currently evaluating potential acquisitions, likely to be in engineering services and probably focused on energy and utility sectors, to enhance visibility of revenues and to offer some industry diversification.

Management are also considering capital investment in the ownership of utility connections infrastructure as a logical extension of Triconnex's activities.

Employee involvement

Our people are the foundation of our business and this year has seen a healthy growth in new talent entering the business to bolster our strategy of growth and succession.

Our graduate programme is now in its third year, with the employment of a further four graduates. This is alongside our site apprentice scheme which is working well. The apprenticeship scheme has been extended to cover site, plant and equipment and office training.

We continue to hold the Investor in People accreditation and continuously invest in our employees personal development. We have an annual performance and development review with our staff. Investment is at all levels with Directors also involved in the Vistage group (an executive coaching forum). We have recruited a Learning and Development Manager to support our staff in their careers.

The Tamdown Degree was launched this year with twelve employees across Tamdown and Triconnex signing up for this exciting opportunity. In association with Anglia Ruskin University the 3 year Business Degree gives employees the opportunity to incorporate theoretical aspects of the course into their day-to-day work alongside the flexibility to study at a time to suit them.

Our companywide Gold Award scheme recognises and rewards outstanding innovation, customer service and efficiency. Bi-annual conferences for the staff incorporate a guest speaker and the Board gives a strategic and operational update. In addition, twice yearly conferences with site staff enable ideas on cost control and customer service to be exchanged across the business, as well as providing an update to the wider group of employees

Directors' Report

For the year ended 30 September 2014

Disabled employees

The directors give special attention to the health and safety of their employees and endeavour to ensure that as far as possible training, career development and promotion of disabled persons is the same as for other employees. Should employees become disabled, every effort is made to ensure that their employment continues and appropriate retraining is received.

Corporate Social Responsibility

Giving things back to our local and wider communities remains a core value for our business. Our CSR covers our relationships with education, wildlife, charities (including our own Tamdown Foundation), our employee's quality of life and their environment. We carry out, attend and support numerous events throughout the year and intend to continue and improve on this as the business grows.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 15 MAY 2015

and signed on its behalf.



D R Hillman
Director

Independent Auditor's Report to the Members of Garbol Limited

We have audited the financial statements of Garbol Limited for the year ended 30 September 2014, which comprise the consolidated profit and loss account, the consolidated and company balance sheets, the consolidated cash flow statement, the reconciliation of net cash flow to movement in net funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of Garbol 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.

Grant Thornton UK LLP

James Brown (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Ipswich

Date:

12 June 2015

Consolidated Profit and Loss Account

For the year ended 30 September 2014

	Note	2014 £	2013 £
Turnover	1,2	108,351,179	82,655,785
Cost of sales		(91,147,948)	(70,297,139)
Gross profit		17,203,231	12,358,646
Administrative expenses		(11,829,245)	(8,745,177)
Operating profit	3	5,373,986	3,613,469
Income from other fixed asset investments		3,258	-
Interest receivable and similar income	6	38,030	37,860
Interest payable and similar charges	7	(111,253)	(110,052)
Profit on ordinary activities before taxation		5,304,021	3,541,277
Tax on profit on ordinary activities	8	(1,223,990)	(1,102,565)
Profit for the financial year	19	4,080,031	2,438,712

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 14 to 28 form part of these financial statements.

Consolidated Balance Sheet

As at 30 September 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	9		1,416,564		2,361,000
Tangible assets	10		5,038,334		3,756,669
Investments	11		60,014		35,004
			<u>6,514,912</u>		<u>6,152,673</u>
Current assets					
Stocks	12	536,243		259,997	
Debtors	13	25,491,450		16,531,266	
Investments	14	84,500		81,242	
Cash at bank and in hand		20,466,738		16,065,735	
		<u>46,578,931</u>		<u>32,938,240</u>	
Creditors: amounts falling due within one year	15	(41,202,797)		(27,047,731)	
Net current assets			<u>5,376,134</u>		<u>5,890,509</u>
Total assets less current liabilities			<u>11,891,046</u>		<u>12,043,182</u>
Creditors: amounts falling due after more than one year	16		(691,883)		(2,435,425)
Provisions for liabilities					
Deferred tax	17		(182,869)		(138,789)
Net assets			<u>11,016,294</u>		<u>9,468,968</u>
Capital and reserves					
Called up share capital	18		3,122,170		5,489,184
Capital redemption reserve	19		2,367,014		-
Profit and loss account	19		5,527,110		3,979,784
Shareholders' funds	20		<u>11,016,294</u>		<u>9,468,968</u>

Consolidated Balance Sheet (continued)

As at 30 September 2014

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15 MAY 2015



D R Hillman

Director

The notes on pages 14 to 28 form part of these financial statements.

Company Balance Sheet

As at 30 September 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Investments	11		20,604,698		20,579,688
Current assets					
Debtors	13	5,025,494		219,781	
Creditors: amounts falling due within one year	15	(16,895,863)		(12,971,660)	
Net current liabilities			(11,870,369)		(12,751,879)
Total assets less current liabilities			8,734,329		7,827,809
Creditors: amounts falling due after more than one year	16		-		(2,045,319)
Net assets			8,734,329		5,782,490
Capital and reserves					
Called up share capital	18		3,122,170		5,489,184
Capital redemption reserve	19		2,367,014		-
Profit and loss account	19		3,245,145		293,306
Shareholders' funds	20		8,734,329		5,782,490

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

15 MAY 2015



D R Hillman
Director

The notes on pages 14 to 28 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 30 September 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	22	11,251,346	8,623,966
Returns on investments and servicing of finance	23	(69,965)	(72,192)
Taxation		(1,686,817)	(471,715)
Capital expenditure and financial investment	23	(458,727)	(191,160)
Equity dividends paid		(165,691)	(500,000)
Cash inflow before management of liquid resources and financing		8,870,146	7,388,899
Management of liquid resources	23	(3,258)	(2,346)
Financing	23	(4,465,885)	(1,756,506)
Increase in cash in the year		4,401,003	5,630,047

Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the year ended 30 September 2014

	2014 £	2013 £
Increase in cash in the year	4,401,003	5,630,047
Cash outflow from decrease in liquid resources	3,258	2,346
Cash outflow from decrease in debt and lease financing	2,098,871	1,756,506
Change in net debt resulting from cash flows	6,503,132	7,388,899
New finance leases	(1,854,439)	(765,000)
Movement in net debt in the year	4,648,693	6,623,899
Net funds at 1 October 2013	12,637,800	6,013,901
Net funds at 30 September 2014	17,286,493	12,637,800

The notes on pages 14 to 28 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 September 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

1.2 Going concern

The directors have a reasonable expectation that the Group has adequate resources to meet its liabilities as they arise for at least twelve months from the approval of these financial statements and, consequently, the directors have adopted the going concern basis of accounting in the preparation of these financial statements.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Garbol Limited and all of its subsidiary undertakings ('subsidiaries').

1.4 Turnover

Turnover comprises revenue recognised by the Group in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life of 10 years.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2.5% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	15-25% reducing balance
Leasehold improvements	-	20% straight line

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Listed investments are initially recorded at cost but provision is made for impairment if required.

Notes to the Financial Statements

For the year ended 30 September 2014

1. Accounting Policies (continued)

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the group. 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.

1.9 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.12 Long-term contracts

Long term contracts are assessed on a contract by contract basis and are reflected in the profit and loss account by recording turnover and related costs as activity progresses. Attributable profit is recognised in the profit and loss account as the difference between the reported turnover and related costs for that contract.

Full provision is made for all known or expected losses on individual contracts.

1.13 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

Notes to the Financial Statements

For the year ended 30 September 2014

1. Accounting Policies (continued)

1.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

2. Turnover

The whole of the turnover is attributable to the principal activities of the group.

All turnover arose within the United Kingdom.

3. Operating profit

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

	2014 £	2013 £
Amortisation - intangible fixed assets	944,436	944,436
Depreciation of tangible fixed assets:		
- owned by the group	818,539	561,136
- held under finance leases	203,551	62,586
Auditor's remuneration	74,000	58,500
Auditor's remuneration - non-audit	14,100	14,100
Operating lease rentals:		
- other operating leases	2,661	58,507
Profit/loss on sale of tangible assets	(15,598)	(108,517)

4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014 £	2013 £
Wages and salaries	21,747,567	12,539,546
Social security costs	1,016,317	2,081,497
Other pension costs	58,820	142,272
	<u>22,822,704</u>	<u>14,763,315</u>

Notes to the Financial Statements

For the year ended 30 September 2014

4. Staff costs (continued)

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

	2014 No.	2013 No.
Site staff	387	334
Administration	97	54
	<u>484</u>	<u>388</u>

5. Directors' remuneration

	2014 £	2013 £
Remuneration	<u>793,577</u>	<u>730,565</u>
Company pension contributions to defined contribution pension schemes	<u>38,400</u>	<u>38,400</u>

During the year retirement benefits were accruing to 2 directors (2013 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £361,081 (2013 - £305,572).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £19,200 (2013 - £19,200).

6. Interest receivable

	2014 £	2013 £
Other interest receivable	<u>38,030</u>	<u>37,860</u>

7. Interest payable

	2014 £	2013 £
On bank loans and overdrafts	84,088	106,672
On finance leases and hire purchase contracts	27,165	3,380
	<u>111,253</u>	<u>110,052</u>

Notes to the Financial Statements

For the year ended 30 September 2014

8. Taxation

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,449,664	1,139,887
Adjustments in respect of prior periods	(269,754)	(60,473)
Total current tax	1,179,910	1,079,414
Deferred tax		
Origination and reversal of timing differences	32,916	23,151
Adjustment in respect of prior periods	11,164	-
Total deferred tax (see note 17)	44,080	23,151
Tax on profit on ordinary activities	1,223,990	1,102,565

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 22% (2013 - 23.50%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	5,304,021	3,541,277
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 - 23.50%)	1,166,885	832,200
Effects of:		
Profits chargeable at lower rate	-	(686)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	96,575	124,607
Differences between depreciation and capital allowances	(21,740)	(38,087)
Adjustments to tax charge in respect of prior periods	(269,754)	(60,473)
Other timing differences leading to an decrease in taxation	(460)	-
Amortisation of goodwill arising on consolidation	207,776	221,942
Marginal relief	628	(89)
Current tax charge for the year (see note above)	1,179,910	1,079,414

Notes to the Financial Statements

For the year ended 30 September 2014

9. Intangible fixed assets

Group	Goodwill £
Cost	
At 1 October 2013 and 30 September 2014	20,836,844
Amortisation	
At 1 October 2013	18,475,844
Charge for the year	944,436
At 30 September 2014	19,420,280
Net book value	
At 30 September 2014	1,416,564
At 30 September 2013	2,361,000

10. Tangible fixed assets

Group	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Leasehold improvements £	Total £
Cost						
At 1 October 2013	627,213	4,536,245	1,051,664	606,634	-	6,821,756
Additions	-	1,780,640	368,797	53,424	257,577	2,460,438
Disposals	-	(388,595)	(37,175)	(38,215)	-	(463,985)
At 30 September 2014	627,213	5,928,290	1,383,286	621,843	257,577	8,818,209
Depreciation						
At 1 October 2013	192,956	2,009,024	327,318	535,789	-	3,065,087
Charge for the year	15,680	785,812	152,853	16,230	51,515	1,022,090
On disposals	-	(256,949)	(18,251)	(32,102)	-	(307,302)
At 30 September 2014	208,636	2,537,887	461,920	519,917	51,515	3,779,875
Net book value						
At 30 September 2014	418,577	3,390,403	921,366	101,926	206,062	5,038,334
At 30 September 2013	434,257	2,527,221	724,346	70,845	-	3,756,669

Notes to the Financial Statements

For the year ended 30 September 2014

10. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014 £	2013 £
Plant and machinery	<u>2,412,961</u>	<u>1,616,475</u>

11. Fixed asset investments

Group	Trade investments £
Cost or valuation	
At 1 October 2013	35,004
Additions	25,010
At 30 September 2014	<u>60,014</u>
Net book value	
At 30 September 2014	<u>60,014</u>
At 30 September 2013	<u>35,004</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company at the year end:

Name	Class of shares	Holding
Tamdown Group Limited	Ordinary Shares	100%
Tamdown Regeneration Limited *	Ordinary Shares	100%
Tamdown Services Limited *	Ordinary Shares	100%
Tamdown Plant Hire Limited *	Ordinary Shares	100%
Triconnex Limited *	Ordinary Shares	100%

* Held by Tamdown Group Limited

All group companies are incorporated in England and Wales.

Notes to the Financial Statements

For the year ended 30 September 2014

11. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Trade investments £	Total £
Cost or valuation			
At 1 October 2013	20,544,684	35,004	20,579,688
Additions	-	25,010	25,010
At 30 September 2014	20,544,684	60,014	20,604,698
Net book value			
At 30 September 2014	20,544,684	60,014	20,604,698
At 30 September 2013	20,544,684	35,004	20,579,688

12. Stocks

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Work in progress	536,243	259,997	-	-

13. Debtors

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Trade debtors	20,459,664	12,623,156	-	-
Amounts owed by group undertakings	-	-	5,000,000	200,000
Other debtors	4,760,565	3,741,584	25,494	19,781
Prepayments and accrued income	271,221	166,526	-	-
	25,491,450	16,531,266	5,025,494	219,781

Notes to the Financial Statements

For the year ended 30 September 2014

14. Current asset investments

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Listed investments	84,500	81,242	-	-

Group listed investments

The market value of the listed investments at 30 September 2014 was £271,615 (2013 - £209,881).

**15. Creditors:
Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	2,046,875	850,000	2,046,875	850,000
Payments received on account	7,953,479	3,641,933	-	-
Net obligations under finance leases and hire purchase contracts	525,987	223,752	-	-
Trade creditors	23,547,386	15,911,603	-	-
Amounts owed to group undertakings	-	7,780	14,847,937	11,628,704
Corporation tax	512,270	1,019,178	-	-
Other taxation and social security	674,501	488,634	-	-
Other creditors	839,145	1,020,998	-	492,063
Accruals and deferred income	5,103,154	3,883,853	1,051	893
	<u>41,202,797</u>	<u>27,047,731</u>	<u>16,895,863</u>	<u>12,971,660</u>

The bank loans and overdrafts are secured by cross guarantees from other group undertakings.

Notes to the Financial Statements

For the year ended 30 September 2014

16. Creditors:**Amounts falling due after more than one year**

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	-	2,045,319	-	2,045,319
Net obligations under finance leases and hire purchase contracts	691,883	390,106	-	-
	<u>691,883</u>	<u>2,435,425</u>	<u>-</u>	<u>2,045,319</u>

Included within the above are amounts falling due as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Between one and two years				
Bank loans	-	2,045,319	-	2,045,319
	<u>-</u>	<u>2,045,319</u>	<u>-</u>	<u>2,045,319</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Between one and five years	691,883	390,106	-	-
	<u>691,883</u>	<u>390,106</u>	<u>-</u>	<u>-</u>

17. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	138,789	115,638	-	-
Charge for the year (P&L)	44,080	23,151	-	-
At end of year	<u>182,869</u>	<u>138,789</u>	<u>-</u>	<u>-</u>

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	182,869	138,789	-	-
	<u>182,869</u>	<u>138,789</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 30 September 2014

18. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
386,715 Ordinary A shares shares of £1 each	386,715	386,715
257,807 Ordinary B shares shares of £1 each	257,807	257,807
63,346 Ordinary C shares shares of £1 each	63,346	63,346
47,289 Non-voting ordinary shares shares of £1 each	47,289	47,289
2,367,013 (2013 - 4,734,027) 7% Redeemable preference shares shares of £1 each	2,367,013	4,734,027
	<u>3,122,170</u>	<u>5,489,184</u>

On 31 January 2014 2,367,014 of the 7% Redeemable preference shares of £1 each were redeemed.

19. Reserves

Group	Capital redempt'n reserve £	Profit and loss account £
At 1 October 2013	-	3,979,784
Profit for the financial year	-	4,080,031
Dividends: Equity capital	-	(165,691)
Redemption of redeemable preference shares	-	(2,367,014)
Transfer from share capital on redemption of preference shares	2,367,014	-
At 30 September 2014	<u>2,367,014</u>	<u>5,527,110</u>
Company	Capital redempt'n reserve £	Profit and loss account £
At 1 October 2013	-	293,306
Profit for the financial year	-	5,484,544
Dividends: Equity capital	-	(165,691)
Redemption of redeemable preference shares	-	(2,367,014)
Transfer from share capital on redemption of preference shares	2,367,014	-
At 30 September 2014	<u>2,367,014</u>	<u>3,245,145</u>

Notes to the Financial Statements

For the year ended 30 September 2014

20. Reconciliation of movement in shareholders' funds

	2014	2013
Group	£	£
Opening shareholders' funds	9,468,968	7,530,256
Profit for the financial year	4,080,031	2,438,712
Dividends (Note 21)	(165,691)	(500,000)
Redemption of preference shares	(2,367,014)	-
	<u>11,016,294</u>	<u>9,468,968</u>
Closing shareholders' funds		
	<u>11,016,294</u>	<u>9,468,968</u>

	2014	2013
Company	£	£
Opening shareholders' funds	5,782,490	5,706,184
Profit for the financial year	5,484,544	576,306
Dividends (Note 21)	(165,691)	(500,000)
Redemption of preference shares	(2,367,014)	-
	<u>8,734,329</u>	<u>5,782,490</u>
Closing shareholders' funds		
	<u>8,734,329</u>	<u>5,782,490</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £5,484,544 (2013 - £576,306).

21. Dividends

	2014	2013
	£	£
Dividends paid on equity capital	<u>165,691</u>	<u>500,000</u>

22. Net cash flow from operating activities

	2014	2013
	£	£
Operating profit	5,373,986	3,613,469
Amortisation of intangible fixed assets	944,436	944,436
Depreciation of tangible fixed assets	1,022,090	623,722
Profit on disposal of tangible fixed assets	(15,598)	(108,517)
(Increase)/decrease in stocks	(276,246)	211,474
Increase in debtors	(8,960,189)	(2,682,729)
Increase in creditors	13,162,867	6,022,111
	<u>11,251,346</u>	<u>8,623,966</u>
Net cash inflow from operating activities		
	<u>11,251,346</u>	<u>8,623,966</u>

Notes to the Financial Statements

For the year ended 30 September 2014

23. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	38,030	37,860
Interest paid	(84,088)	(106,672)
Hire purchase interest	(27,165)	(3,380)
Income from investments	3,258	-
Net cash outflow from returns on investments and servicing of finance	(69,965)	(72,192)
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(605,998)	(591,459)
Sale of tangible fixed assets	197,291	435,303
Purchase of fixed asset investments	(25,010)	(35,004)
Net cash outflow from capital expenditure	(458,727)	(191,160)
	2014 £	2013 £
Management of liquid resources		
Movement in value of short term listed investments	(3,258)	(2,346)
	2014 £	2013 £
Financing		
Redemption of preference shares	(2,367,014)	-
Repayment of loans	(848,444)	(607,988)
Repayment of finance leases	(1,250,427)	(1,148,518)
Net cash outflow from financing	(4,465,885)	(1,756,506)

Notes to the Financial Statements

For the year ended 30 September 2014

24. Analysis of changes in net funds

	1 October 2013	Cash flow	Other non-cash changes	30 September 2014
	£	£	£	£
Cash at bank and in hand	16,065,735	4,401,003	-	20,466,738
Liquid resources:				
Current asset investments	81,242	3,258	-	84,500
Debt:				
Finance leases	(613,858)	1,250,427	(1,854,439)	(1,217,870)
Debts due within one year	(850,000)	848,444	(2,045,319)	(2,046,875)
Debts falling due after more than one year	(2,045,319)	-	2,045,319	-
Net funds	12,637,800	6,503,132	(1,854,439)	17,286,493

25. Contingent liabilities

Under a group registration, the company is jointly and severally liable for the Value Added Tax due by other group companies.

The group's bank debt is guaranteed by all group entities, jointly and severally. At 30 September 2014 the group bank debts covered by this guarantee amounted to £2,046,875 (2013 - £2,895,329).

These debts are also secured by a fixed and floating charge over the assets of the group.

Notes to the Financial Statements

For the year ended 30 September 2014

26. Related party transactions

The company has taken full advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Garbol Limited on the grounds that 100% of the voting rights in the company are controlled within the group and the company is included in the consolidated financial statements.

The company's ultimate controlling party was Michael Morris by virtue of his shareholding in the company.

The company also issued the following dividends to directors and amounts were owing to them at the year end as follows

	2014	2013	2014	2013
	Dividends	Dividends	Balance	Balance
	£	£	£	£
P D Holliday	14,827	41,942	-	41,942
M T Morris	90,519	236,130	-	236,130
K Breen	60,345	149,084	-	149,084
D R Hillman	-	3,973	-	3,973
M Lethaby	-	662	-	662

At the balance sheet date an amount of £10,689 (2013 £17,959) was owed from Garbol Warehousing, a company with common directors. During the year donations were made to Tamdown Foundation of £5,023 of the group (2013 - £6,571) and sales of £3,843, which is related by common control of the directors of the group and company.

27. Post balance sheet events

Since the year end date, the remaining of the preference shares were redeemed.