REGISTERED NUMBER: 05829629 (England and Wales)

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD

1 APRIL 2014 TO 30 SEPTEMBER 2015

FOR

DMA GROUP LIMITED

DMA GROUP LIMITED (REGISTERED NUMBER: 05829629)

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

COMPANY INFORMATION
FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

DIRECTORS:	S W Kingsman A D Wood
SECRETARY:	G Danilewicz
REGISTERED OFFICE:	4 Ambley Green Gillingham Business Park Gillingham Kent ME8 0NJ
REGISTERED NUMBER:	05829629 (England and Wales)
AUDITORS:	RJP LLP Chartered Certified Accountants & Statutory Auditors 2 AC Court High Street Thames Ditton Surrey KT7 0SR

The directors present their strategic report of the company and the group for the period 1 April 2014 to 30 September 2015.

DMA Group

We are the DMA Group providing design, installation and maintenance building engineering services and bespoke Joinery. Our customers are end users, facilities managers and local building and fit-out contractors.

The DMA Group trades in the joinery sector as Denne Joinery and in the M&E sector as DMA with two trading divisions: Projects (DMA Mechanical & Air Conditioning Ltd) and Maintenance (DMA Maintenance Ltd). We have a presence on facebook, linkedin, twitter and google.

REVIEW OF BUSINESS

DMA Maintenance

Company trading performance

The company has delivered top line growth (increase £0.25m or 6% on an annualised basis) and bottom line profitability (£0.27m or 4.3% margin).

The business has undergone significant transition during 2014/15 (and into 2015/16) with a new management team, which accounts for the 18 month period of consolidation and lower than target net margin this year. However, under the new team the future is very exciting with a target turnover of £20m by 2021.

The balance sheet at year end reflects the strength of the business with net assets of £1m, no term debt and £1m in cash.

Company strategy

At the time of this report the management team has been transformed by the appointments of Norman Lloyd and Gary Danilewicz as Operations Director and Finance Director respectively and the appointment of Steve McGregor who joins from the multinational Cofely where he was UK Sales & Marketing Director. Steve brings a wealth of experience in the FM sector and will be the driving force behind sales growth from £4m to £20m in the next 5 years.

The growth strategy is underpinned by leveraging our key differentiators namely safety, customer care, technology and compliance.

We will penetrate further into existing markets and sectors who are hungry for a SME integrated services partner who is large enough to employ the critical level/quality of technical resource but small enough to maintain a personal, friendly service and ensure customers feel like part of a family. This is seen as a significant opportunity in the context of a recent series of mergers and consolidations in the sector that have created huge FM providers that in turn have disenfranchised many of their smaller customers.

It must be noted that the growth strategy is predicated on the strength and professionalism of existing business practice. This is important as it means the risks inherent in growth, i.e. operational capability keeping pace with a growing customer base, are mitigated.

- We will ensure we retain, develop and attract the right people for growth. Our clear vision and values determine and define our cultural behaviours and are our DNA to achieve strong people engagement;

- Growth will not be at the expense of existing customers. We are renowned for customer retention and have many long term partners. We will sustain and enhance these relationships with proven account management and customer satisfaction tools;

- The strength of our existing customer base naturally lends very strong reference to further penetration of target markets, as well as complimentary new sector accounts;

- Our technology based back-of-house model is entirely scalable and will support growth.

REVIEW OF BUSINESS (CONTINUED)

Denne Joinery

Company trading performance

The company continues to flourish under the new management team with a profit before tax of £0.23m on a turnover of £4.8m (annualised £3.2m)

Consolidation has been made in the operational improvements which commenced last year in production, quality control, work scheduling, supply & fix operation protocols and the control of risk. Project delivery is now first class and customer relationships very strong as a result.

Our core business is bespoke joinery manufacture. We have developed the management, production and operations teams to be able to continually deliver high end joinery projects which are snag and defect free.

The balance sheet at year end reflects the profitability and control of risk with net assets of £0.35m, net current assets of £0.3m and £0.3m in cash.

Company strategy

In London we want Denne Joinery to be an automatic entrant onto tender lists of our target clients. Hence the strategy is simply to continue to build our reputation and relationships with customers. On that basis we will continue to select opportunities that fit our margin, resource and risk profile.

We aim to grow to a £5m business and we will achieve this through:

- Continued leadership and resultant engaged and committed workforce;
- Improvement in market awareness of the Denne Joinery brand;
- Driving new business targets with carefully selected insurable clients in both end user and fit-out contractor markets;
- Investment in innovative technologies that reduce cost and increase value for us and our clients;
- Recruitment of best in class people to support both production and management operations

DMA Mechanical & Air Conditioning

Company trading performance

In 2014/15 the Directors made the decision to leave the national contractor construction market. The decision was reached due to the lack of any visibility of a more equitable allocation of risk and therefore return of sustainable margins.

The significant loss incurred in the year was a result of completion of long running legacy projects and the natural erosion of margin experienced when leaving a market. Two crucial factors underpinned the loss: firstly, DMA priced the projects during the recession and secondly, the National Contractors had done likewise and were losing money themselves. The risks/losses flowing from these problem projects were passed down to DMA, the quality of the installation notwithstanding.

In the period the business delivered £0.8m of gross profit ('GP') versus an overhead of £3.9m.

National contractors accounted for 54% of turnover and made a gross loss of £1.1m, end users were 11% of turnover and delivered £0.4m GP, facilities management customers were 5% of turnover and delivered £0.4m GP and the remaining 30% of our business, made up of local contractors and London fit-out customers, delivered £0.8m GP.

The business is therefore sustainable on exit from the national contractor market and the significant associated fixed cost overhead.

Company strategy

Three years ago the DMA business was largely sustained on long term relationships with two national contractors. Due to the advent of self-delivery and incorporation into a larger group respectively this business was lost. The new management team, in place September 2013, adopted the following strategy:

REVIEW OF BUSINESS (CONTINUED)

1. Develop relationships with new national contractors. At the time it was perceived that, as we came out of recession, there would be insufficient capacity in the M&E sub-contractor market which would drive up margins;
2. Develop relationships with blue chip end users;
3. Work closely with the successful DMA Maintenance team to deliver larger projects to their customer base;
4. Penetrate further into the local Kent contractor market and the London fit-out market.

Trading performance demonstrates that point 1 of the strategy did not work due to unchanged market conditions. Capacity in the M&E sub-contractor sector was not an issue for national contractors, primarily due to the low interest rate environment and low level of insolvencies coming out of recession, hence risk allocation and therefore margins were unchanged, particularly for new entrants like DMA. In contrast, points 2-4 of strategy were extremely successful in a short time frame, accounting for 46% of turnover at sustainable margins. Amongst the new customer base are prestigious household names such as RBS, Time Warner, British Airways and Deutsche Bank.

As a result of the experience of 2014/15 the strategy heading into 2015/16 is clear. With a small, specialised and highly technical core of fixed cost overhead DMA will build on the success of working with end users, the customers of our DMA Maintenance sister company, local Kent contractors and London fit-out customers.

Cool Space

The business reports a loss of £0.6m in 2014/15 with a negative balance sheet of £1.8m. The Company no longer trades. Cool Space was acquired distressed in 2012 and never recovered its previously strong brand.

PRINCIPAL RISKS AND UNCERTAINTIES

The main risks, in no particular order, and associated mitigations are:

- Labour/skill shortages. Securing quality skilled labour will be the biggest challenge faced by firms in the M&E and Joinery sectors. We are attacking this issue on two fronts (i) we have a core direct labour force which we are focused on training, developing and retaining and (ii) we are adding extensively to our specialist supply chain.

- Credit risk. Debtors are insured via a HCCI policy. Exposure above, or in the absence of, an insured limit is reviewed and only taken on review of the debtor's financial security. We are unable to control main contract programmes hence exposure may be taken unwillingly and in this event will be managed closely in terms of timely payments.

- Economic/Political environment. The post year end economic/political environment at the time of this report is uncertain due to the Brexit referendum. However we believe the impact of a Leave decision would be relatively minor for businesses of our size who do not hold a material market share.

- Funding. A loss places a strain on working capital and hence cash management and access to external sources of funding are important. We maintain tight control over working capital and focus daily on cash collection, invoicing and work in progress reduction. At the same time we maintain a stringent regimen for our supply chain who are back to back with our own terms. In terms of external funding, the group has access to a £0.75m overdraft with Handelsbanken and the shareholder and owner has injected further funds during the year and after the balance sheet date.

- Competition. We are uniquely positioned in our market as an SME business that can deliver highly complex and technical solutions. Our success in building a new client base in a short time frame is testimony to the gap in the market that we are now targeting. Moreover, given our market share is small we do not see competition as a significant risk.

Capital Structure
The group's history goes back over 20 years and has been in its current ownership since 1972.

The board is committed to the long term success of the group and has demonstrated this through injections of fresh capital to minimise the impact of losses suffered in DMA Mechanical & Air Conditioning Limited.

Our People
The group maintains the Investors in People accreditation.

The board continues to recognise the hard work of our staff and thanks them for their commitment, passion and enthusiasm in delivering a high quality service to clients.

Quality
Our ISO 9001 accreditations have been maintained throughout the group companies during the year.

Health & Safety
The group continues its emphasis on health and safety which is paramount in all its operations. DMA Mechanical & Air Conditioning Ltd and DMA Maintenance Ltd have been certified on reaching the standards set in ISO 18001.

The group employs a Quality, Health, Safety & Environment (QHSE) Manager responsible for ensuring the group is working to its ISO accreditations and adhering to its objectives for continuous improvement.

Environment & Sustainability
Environmental issues are now firmly at the top of the agenda for many of our clients. Our joinery business emphasises the importance of sustainability in all its products and has been reaccredited with its FSC and PEFC chain of custody certification. The business is also accredited to ISO 14001. DMA Mechanical & Air Conditioning Ltd and DMA Maintenance Ltd also hold this accreditation.

Corporate Social Responsibility
All group companies recognise the importance of their responsibilities to the communities in which they operate. The DMA Charitable Trust, a separate registered charity (No. 1030577), continues to be the focus for the group's charitable work.

ON BEHALF OF THE BOARD:

....
A D Wood - Director

Date: 28 June 2016

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

The directors present their report with the financial statements of the company and the group for the period 1 April 2014 to 30 September 2015.

PRINCIPAL ACTIVITY
The principal activity of the group in the period under review was that of building services contractors and engineers, and joinery contractor and manufacturer.

DIVIDENDS
No dividends will be distributed for the period ended 30 September 2015.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

S W Kingsman
A D Wood

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

ON BEHALF OF THE BOARD:

....
S W Kingsman - Director

Date: 28th June 2016

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DMA GROUP LIMITED

We have audited the financial statements of DMA Group Limited for the period ended 30 September 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2015 and of the group's loss for the period 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.

Emphasis of matter
In forming our opinion on the financial statements, which is unqualified, we have considered the adequacy of the disclosure made in note 25 to the financial statements concerning the group's ability to continue as a going concern. The group incurred a loss after tax of £3,424,049 during the period ended 30 September 2015 and, at that date, the group's total liabilities exceeded its total assets by £1,380,892.

The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

RJP LLP

Simon Paterson (Senior Statutory Auditor)
for and on behalf of RJP LLP
Chartered Certified Accountants &
Statutory Auditors
2 AC Court
High Street
Thames Ditton
Surrey
KT7 0SR

Date: 28 June 2016

DMA GROUP LIMITED (REGISTERED NUMBER: 05829629)

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

	Notes	Period 1.4.14 to 30.9.15 £	Year Ended 31.3.14 £
TURNOVER	2	35,156,161	21,489,451
Cost of sales		31,234,845	16,971,496
GROSS PROFIT		3,921,316	4,517,955
Administrative expenses		7,087,361	4,087,407
		(3,166,045)	430,548
Other operating income		68,645	-
OPERATING (LOSS)/PROFIT	4	(3,097,400)	430,548
Interest receivable and similar income		96,891	11,280
		(3,000,509)	441,828
Interest payable and similar charges	5	200,834	51,802
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,201,343)	390,026
Tax on (loss)/profit on ordinary activities	6	222,706	(262,805)
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD FOR THE GROUP		(3,424,049)	652,831

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

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

The notes form part of these financial statements

DMA GROUP LIMITED (REGISTERED NUMBER: 05829629)

CONSOLIDATED BALANCE SHEET
30 SEPTEMBER 2015

	Notes	30.9.15 £	£	31.3.14 £	£
FIXED ASSETS					
Intangible assets	8		822,547		913,942
Tangible assets	9		1,322,309		1,316,680
Investments	10		-		-
			2,144,856		2,230,622
CURRENT ASSETS					
Stocks	11	63,409		69,262	
Debtors	12	6,699,534		6,115,057	
Cash at bank and in hand		1,413		1,201,753	
		6,764,356		7,386,072	
CREDITORS					
Amounts falling due within one year	13	8,485,636		5,956,720	
NET CURRENT (LIABILITIES)/ASSETS			(1,721,280)		1,429,352
TOTAL ASSETS LESS CURRENT LIABILITIES			423,576		3,659,974
CREDITORS					
Amounts falling due after more than one year	14		1,804,468		1,616,817
NET (LIABILITIES)/ASSETS			(1,380,892)		2,043,157
CAPITAL AND RESERVES					
Called up share capital	18		2,567,137		2,567,137
Capital redemption reserve	19		52,647		52,647
Profit and loss account	19		(4,000,676)		(576,627)
SHAREHOLDERS' FUNDS	24		(1,380,892)		2,043,157

The financial statements were approved by the Board of Directors on ......28th June 2016...... and were signed on its behalf by:

....

S W Kingsman - Director

The notes form part of these financial statements

DMA GROUP LIMITED (REGISTERED NUMBER: 05829629)

COMPANY BALANCE SHEET
30 SEPTEMBER 2015

	Notes	30.9.15 £	30.9.15 £	31.3.14 £	31.3.14 £
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		-		-
Investments	10		67,237		67,237
			67,237		67,237
CURRENT ASSETS					
Debtors	12	2,842,131		2,746,879	
Cash at bank		925,193		612,456	
		3,767,324		3,359,335	
CREDITORS					
Amounts falling due within one year	13	90,000		19,986	
NET CURRENT ASSETS			3,677,324		3,339,349
TOTAL ASSETS LESS CURRENT LIABILITIES			3,744,561		3,406,586
CREDITORS					
Amounts falling due after more than one year	14		1,330,000		1,080,000
NET ASSETS			2,414,561		2,326,586
CAPITAL AND RESERVES					
Called up share capital	18		2,567,137		2,567,137
Profit and loss account	19		(152,576)		(240,551)
SHAREHOLDERS' FUNDS	24		2,414,561		2,326,586

The financial statements were approved by the Board of Directors on 28th Jan 2016 and were signed on its behalf by:

....
S W Kingsman - Director

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

	Notes	Period 1.4.14 to 30.9.15 £	£	Year Ended 31.3.14 £	£
Net cash (outflow)/inflow from operating activities	1		(1,287,371)		443,785
Returns on investments and servicing of finance	2		(103,943)		(40,522)
Taxation			(740)		-
Capital expenditure	2		(114,631)		(225,451)
			(1,506,685)		177,812
Financing	2		173,125		368,670
(Decrease)/increase in cash in the period			(1,333,560)		546,482

	Notes	£	£	£	£
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/increase in cash in the period		(1,333,560)		546,482	
Cash outflow from decrease in debt and lease financing		76,875		3,119,037	
Change in net funds resulting from cash flows			(1,256,685)		3,665,519
New finance leases			(70,620)		-
Movement in net funds in the period			(1,327,305)		3,665,519
Net funds/(debt) at 1 April			1,125,661		(2,539,858)
Net (debt)/funds at 30 September			(201,644)		1,125,661

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD 1 APRIL 2014 TO 30 SEPTEMBER 2015

1. **RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Operating (loss)/profit	(3,097,400)	430,548
Depreciation charges	269,053	175,529
Loss/(profit) on disposal of fixed assets	1,961	(1,308)
Reversal of impairment	-	(300,000)
Goodwill impairment	-	72,387
Decrease/(increase) in stocks	5,853	(14,345)
Increase in debtors	(807,180)	(1,102,745)
Increase in creditors	2,340,342	1,183,719
Net cash (outflow)/inflow from operating activities	(1,287,371)	443,785

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

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Returns on investments and servicing of finance		
Interest received	96,891	11,280
Interest paid	(194,116)	(51,492)
Interest element of hire purchase payments	(6,718)	(310)
Net cash outflow for returns on investments and servicing of finance	(103,943)	(40,522)
Capital expenditure		
Purchase of tangible fixed assets	(119,483)	(229,612)
Sale of tangible fixed assets	4,852	4,161
Net cash outflow for capital expenditure	(114,631)	(225,451)
Financing		
Loan repayments in year	-	(3,184,935)
Capital repayments in year	(76,875)	(26,395)
Amount introduced by directors	250,000	1,080,000
Share issue	-	2,500,000
Net cash inflow from financing	173,125	368,670

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.14	Cash flow	Other non-cash changes	At 30.9.15
	£	£	£	£
Net cash:				
Cash at bank and in hand	1,201,753	(1,200,340)		1,413
Bank overdraft	-	(133,220)		(133,220)
	1,201,753	(1,333,560)		(131,807)
Debt:				
Hire purchase	(76,092)	76,875	(70,620)	(69,837)
	(76,092)	76,875	(70,620)	(69,837)
Total	1,125,661	(1,256,685)	(70,620)	(201,644)

1. ACCOUNTING POLICIES

Basis of preparation of financial statements
The financial statements have been been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards.

Basis of consolidation
The financial statements consolidate the accounts of DMA Group Limited and all of its subsidiary undertakings ('subsidiaries') drawn up to 30 September 2015. Intra-group transactions are eliminated on consolidation and all figures relate to external transactions only.

The results of subsidiaries acquired during the period are included from the effective date of acquisition.

Turnover
Turnover represents revenue earned under a wide variety of contracts to provide building, engineering and joinery services. Revenue is recognised as earned when, and to the extent that, the group obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which includes an appropriate element of attributable profit (exclusive of Value Added Tax).

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue recorded reflects the accrual of the right to consideration by reference to the value of work performed.

Intangible fixed assets and amortisation
Goodwill arising on acquisition represents the difference between the fair value of net assets acquired and the fair value of the consideration given. Goodwill arising on acquisition is recognised within fixed assets in the year in which it arises and amortised on a straight line basis over its useful economic life, which is considered to be twenty years. Goodwill is reviewed for impairment annually.

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

Freehold land and buildings	-	Nil
Plant and machinery	-	Between 10% and 20% on cost
Motor vehicles	-	20% on cost
Fixtures, fittings and equipment	-	10% on cost
Computer equipment	-	Between 10% and 33.3% on cost
Tenants improvements	-	10% on cost

Freehold land and buildings are revalued annually and are stated in the financial statements at market value.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Stocks
Stock are valued at the lower of cost and net realisable value. Short term contract work in progress has been valued at the lower of cost and net realisable value less provision for any foreseeable losses. Progress payments received or receivable have been deducted from the value.

Deferred tax
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. ACCOUNTING POLICIES - continued

Hire purchase, leasing commitments and operating leases.
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 company. 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 to the profit and loss account on a straight line basis over the lease term.

Pensions
The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents the amount payable by the group to the fund in respect of the year.

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

Long-term contracts
The company classifies as long term contracts those which extend over more than one accounting period.

The amounts recognised as turnover represent the value of work carried out during the period. Where the outcome of the contract can be assessed with reasonable certainty, attributable profit is recognised in proportion to the amount of turnover recognised in the financial statements. Full provision is made for any foreseeable losses.

Amounts recoverable on contracts, which are included within debtors, are stated at the net sales value of 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.

2. TURNOVER

All turnover arose within the United Kingdom.

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

3. STAFF COSTS

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Wages and salaries	12,531,045	6,541,736
Social security costs	1,182,546	593,570
Other pension costs	84,632	57,302
	13,798,223	7,192,608

3. **STAFF COSTS - continued**

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

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
Directors	2	2
Administration	19	24
Management, technical and surveying	43	40
Craftsmen	108	78
Unskilled	10	4
Apprentices and trainees	15	10
	197	158

4. **OPERATING (LOSS)/PROFIT**

The operating loss (2014 - operating profit) is stated after charging/(crediting):

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Hire of plant and machinery	36,980	15,563
Other operating leases	63,390	43,188
Depreciation - owned assets	126,470	99,482
Depreciation - assets on hire purchase contracts	51,191	11,020
Loss/(profit) on disposal of fixed assets	1,961	(1,308)
Goodwill amortisation	91,395	65,028
Auditors' remuneration	21,100	20,380

Directors' remuneration	225,000	126,106
Directors' pension contributions to money purchase schemes	11,250	5,065

Information regarding the highest paid director for the period ended 30 September 2015 is as follows:

	period 1.4.14 to 30.9.15
	£
Emoluments etc	225,000
Pension contributions to money purchase schemes	11,250

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Bank interest	30,369	969
Bank loan interest	73,487	6,831
Other interest paid	90,260	43,692
Hire purchase	6,718	310
	200,834	51,802

6. TAXATION

Analysis of the tax charge/(credit)
The tax charge/(credit) on the loss on ordinary activities for the period was as follows:

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
Current tax:		
UK corporation tax	-	740
Deferred tax	222,706	(263,545)
Tax on (loss)/profit on ordinary activities	222,706	(262,805)

Factors affecting the tax charge/(credit)
The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.4.14 to 30.9.15	Year Ended 31.3.14
	£	£
(Loss)/profit on ordinary activities before tax	(3,201,343)	390,026
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 23%)	(640,269)	89,706
Effects of:		
Expenses not deductible for tax purposes	13,055	31,415
Income not taxable for tax purposes	(31,272)	(78,486)
Capital allowances in excess of depreciation	(1,362)	(17,014)
Utilisation of tax losses	(46,216)	(38,895)
Non deductible amortisation of goodwill	18,279	14,014
Un-utilised tax losses	687,785	-
Current tax charge/(credit)	-	740

7. PROFIT OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £87,975 (2014 - £87,870 loss).

8. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 April 2014 and 30 September 2015	1,300,539
AMORTISATION	
At 1 April 2014	386,597
Amortisation for period	91,395
At 30 September 2015	477,992
NET BOOK VALUE	
At 30 September 2015	822,547
At 31 March 2014	913,942

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1 April 2014	900,000	128,228	659,686
Additions	-	38,970	10,016
Disposals	-	-	(1,710)
At 30 September 2015	900,000	167,198	667,992
DEPRECIATION			
At 1 April 2014	-	17,218	651,892
Charge for period	-	11,992	5,194
Eliminated on disposal	-	-	(1,710)
At 30 September 2015	-	29,210	655,376
NET BOOK VALUE			
At 30 September 2015	900,000	137,988	12,616
At 31 March 2014	900,000	111,010	7,794

9. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2014	192,009	346,503	365,508	2,591,934
Additions	21,481	70,619	49,017	190,103
Disposals	(19,808)	(24,878)	(208,079)	(254,475)
At 30 September 2015	193,682	392,244	206,446	2,527,562
DEPRECIATION				
At 1 April 2014	104,483	224,250	277,411	1,275,254
Charge for period	35,053	94,769	30,653	177,661
Eliminated on disposal	(17,786)	(20,036)	(208,130)	(247,662)
At 30 September 2015	121,750	298,983	99,934	1,205,253
NET BOOK VALUE				
At 30 September 2015	71,932	93,261	106,512	1,322,309
At 31 March 2014	87,526	122,253	88,097	1,316,680

Cost or valuation at 31 March 2014 is as follows:

	Land and Buildings £
At cost	1,024,362
At valuation	
Impairment	(124,362)
	900,000

The freehold land and buildings were valued on an open market existing use basis by John Bishop & Associates on 11th July 2014. The directors are of the opinion this valuation is still applicable as at 30 September 2015.

9. **TANGIBLE FIXED ASSETS - continued**

Group

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

	Fixtures and fittings	Motor vehicles	Totals
	£	£	£
COST			
At 1 April 2014	51,122	68,222	119,344
Additions	-	70,619	70,619
Transfer to ownership	-	(27,051)	(27,051)
At 30 September 2015	51,122	111,790	162,912
DEPRECIATION			
At 1 April 2014	2,828	23,529	26,357
Charge for period	16,064	35,127	51,191
Transfer to ownership	-	(27,051)	(27,051)
At 30 September 2015	18,892	31,605	50,497
NET BOOK VALUE			
At 30 September 2015	32,230	80,185	112,415
At 31 March 2014	48,294	44,693	92,987

10. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings
	£
COST	
At 1 April 2014 and 30 September 2015	67,237
NET BOOK VALUE	
At 30 September 2015	67,237
At 31 March 2014	67,237

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Kingsman (Holdings) Limited
Country of incorporation: United Kingdom
Nature of business: Holding company

Class of shares:	% holding
Ordinary	100.00

10. FIXED ASSET INVESTMENTS - continued

Cool Space ACR Limited
Country of incorporation: United Kingdom
Nature of business: Mechanical and air conditioning

Class of shares:	% holding
Ordinary	100.00

***Denne Joinery Limited**
Country of incorporation: United Kingdom
Nature of business: Joinery manufacturers

Class of shares:	% holding
Ordinary	100.00

***DMA Mechanical & Air Conditioning Limited**
Country of incorporation: United Kingdom
Nature of business: Mechanical and air conditioning

Class of shares:	% holding
Ordinary	100.00

***DMA Maintenance Limited**
Country of incorporation: United Kingdom
Nature of business: Maintenance engineers

Class of shares:	% holding
Ordinary	100.00

The companies prefixed with an '*' are wholly owned by Kingsman (Holdings) Limited.

11. STOCKS

	Group	
	30.9.15	31.3.14
	£	£
Stocks	63,409	46,274
Work-in-progress	-	22,988
	63,409	69,262

12. DEBTORS

	Group		Company	
	30.9.15	31.3.14	30.9.15	31.3.14
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	1,746,505	2,105,342	-	-
Amounts owed by group undertakings	-	-	252,802	-
Amounts recoverable on contract	4,306,132	3,124,325	-	-
Other debtors	31,588	122,929	-	-
Deferred tax asset	65,868	288,575	-	-
Prepayments and accrued income	176,943	71,553	-	-
	6,327,036	5,712,724	252,802	-

12. DEBTORS - continued

	Group		Company	
	30.9.15	31.3.14	30.9.15	31.3.14
	£	£	£	£
Amounts falling due after more than one year:				
Trade debtors	207,498	237,333	-	-
Amounts owed by group undertakings	-	-	2,589,329	2,746,879
Other debtors	165,000	165,000	-	-
	372,498	402,333	2,589,329	2,746,879
Aggregate amounts	6,699,534	6,115,057	2,842,131	2,746,879

Deferred tax asset

	Group	
	30.9.15	31.3.14
	£	£
Deferred tax	65,868	288,575

The other debtors due after more than one year represent deferred sale proceed agreements. The balances are secured on the properties concerned and the amount due greater than one year is repayable within a maximum period of 3 years from the balance sheet date.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	30.9.15	31.3.14	30.9.15	31.3.14
	£	£	£	£
Bank loans and overdrafts (see note 15)	133,220	-	-	-
Hire purchase contracts (see note 16)	45,369	29,275	-	-
Trade creditors	5,316,788	3,461,082	-	-
Tax	-	740	-	-
Social security and other taxes	237,914	356,264	-	16,971
VAT	512,254	340,480	-	-
Other creditors	90,765	26,354	-	-
Accrued expenses	2,149,326	1,742,525	90,000	3,015
	8,485,636	5,956,720	90,000	19,986

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

	Group		Company	
	30.9.15	31.3.14	30.9.15	31.3.14
	£	£	£	£
Hire purchase contracts (see note 16)	24,468	46,817	-	-
Other creditors	450,000	490,000	-	-
Directors' loan accounts	1,330,000	1,080,000	1,330,000	1,080,000
	1,804,468	1,616,817	1,330,000	1,080,000

Directors' loan accounts comprise a medium term, interest bearing loan with no fixed date for repayment from S W Kingsman, a director of the company.

15. LOANS

An analysis of the maturity of loans is given below:

	Group	
	30.9.15	31.3.14
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	133,220	-

16. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

Group

	Hire purchase contracts	
	30.9.15	31.3.14
	£	£
Net obligations repayable:		
Within one year	45,369	29,275
Between one and five years	24,468	46,817
	69,837	76,092

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

Group

	Land and buildings		Other operating leases	
	30.9.15	31.3.14	30.9.15	31.3.14
	£	£	£	£
Expiring:				
Between one and five years	-	67,000	124,547	17,971
In more than five years	68,000	-	-	-
	68,000	67,000	124,547	17,971

17. SECURED DEBTS

The director S W Kingsman has provided a personal guarantee, limited to £250,000, for all amounts due to the group's bankers. S W Kingsman has also provided a deed of postponement of a directors loan, such that the balance owed to him shall not fall below £1,080,000.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.9.15 £	31.3.14 £
2,567,137	Ordinary	£1.00	2,567,137	2,567,137

19. RESERVES

Group

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 April 2014	(576,627)	52,647	(523,980)
Deficit for the period	(3,424,049)		(3,424,049)
At 30 September 2015	(4,000,676)	52,647	(3,948,029)

Company

	Profit and loss account £
At 1 April 2014	(240,551)
Profit for the period	87,975
At 30 September 2015	(152,576)

20. CONTINGENT LIABILITIES

The group had a net overdrawn bank balances totalling £133,220 as at 30 September 2015 (2014 - cash at bank of £1,201,753).

The company is party to a composite cross guarantee given to the group's bankers, covering the bank overdrafts of the companies within the DMA Group Limited Group. The potential liability at the balance sheet date was £2,492,427 (2014 - £1,081,590).

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the year end the company owed S W Kingsman, director, £1,330,000 (2014 - £1,080,000). This loan attracts interest at a discretionary rate of interest. Interest of £90,000 has been accrued in the period.

An amount of £45,412 (2014 - £21,731) was separately owed to the group from S W Kingsman. This amount is repayable under normal commercial terms.

22. RELATED PARTY DISCLOSURES

At the year-end the group owed £450,000 (2014 - £491,885) to Slatters of Canterbury Limited. S W Kingsman is a shareholder of Slatters of Canterbury Limited. Interest is discretionary.

23. ULTIMATE CONTROLLING PARTY

The controlling party is S W Kingsman.

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	30.9.15	31.3.14
	£	£
(Loss)/profit for the financial period	(3,424,049)	652,831
New share capital subscribed	-	2,500,000
Net (reduction)/addition to shareholders' funds	(3,424,049)	3,152,831
Opening shareholders' funds	2,043,157	(1,109,674)
Closing shareholders' funds	(1,380,892)	2,043,157

Company

	30.9.15	31.3.14
	£	£
Profit/(loss) for the financial period	87,975	(87,870)
New share capital subscribed	-	2,500,000
Net addition to shareholders' funds	87,975	2,412,130
Opening shareholders' funds	2,326,586	(85,544)
Closing shareholders' funds	2,414,561	2,326,586

25. GOING CONCERN

At the balance sheet date the group has accumulated losses in excess of net assets. The group meets its day to day working capital requirements through a group banking facility. The facility is part of a group arrangement, secured by a first charge on the group's freehold property and an intercompany composite cross guarantee, along with a personal guarantee given by S W Kingsman.

In addition, Mr S W Kingsman has confirmed that he intends to continue his long term financing of the company. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the group facility by the company's bankers of the financial support of Mr S W Kingsman.