Registered number: NI020288

H&J Martin Holdings Limited

Annual Report

for the period ended 31 March 2015

H&J Martin Holdings Ltd

Annual report for the period ended 31 March 2015

H&J Martin Holdings Limited

Directors and advisers

Directors

W G Martin
D W R Martin
C Loughran - (appointed 1/4/2015)
K A Lagan - (appointed 1/4/2015)
M A Lagan (Chairman) - (appointed 1/4/2015)
T W D Martin – (resigned 1/4/2015)
G H G Martin – (resigned 1/4/2015)

Company secretary

W G Martin – (resigned 1/4/2015)
J Harrower-Steele – (appointed 1/4/2015)

Registered office

Rosemount House
21-23 Sydenham Road
Belfast BT3 9HA

Solicitors

McKinty and Wright
5 – 7 Upper Queen Street
Belfast
BT1 6SS

Cleaver, Fulton & Rankin
50 Bedford Street
Belfast
BT1 7FW

Bankers

Danske Bank Limited
Donegall Square West
Belfast
BT1 6JS

Statutory auditors

KPMG
Stokes House
17-25 College Square East
Belfast
BT1 6DH

Directors' report for the period ended 31 March 2015

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

Strategic Report

The principal activities of the Group, a business review, key performance indicators, likely future developments and the principal risks and uncertainties of the company have not been included in this report as they are disclosed in the Strategic Report

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of changes in the market price of raw and manufactured materials, credit risk, liquidity risk and interest rate risk. The Group has in place various procedures that seek to limit the adverse effects on the financial performance of the Group by monitoring each area of risk including levels of debt finance and the related finance costs.

Given the size of the Group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Group's finance department.

Price risk

The Group is exposed to commodity price risk as a result of its operations. However, given the size of the Group's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the Group's operations change in size or nature. The Group has no exposure to equity securities price risk as it holds no listed or other equity investments.

Foreign exchange risk

While the greater part of the Group's revenues and expenses are denominated in sterling, the Group is exposed to foreign exchange risk in the normal course of business, principally on sales in Euro. The Group regularly reviews its potential exposure to movements in foreign exchange and when appropriate it will use certain financial instruments in order to hedge against adverse foreign exchange movements.

Credit risk

The Group has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to individual customers is subject to a limit, which is reassessed regularly by the board.

Liquidity risk

The Group actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the Group has sufficient available funds for operations and planned expansions. Given the results in the period and the financial position at period end attention is drawn to the basis of preparation note set out in note 1 to the financial statements which sets out the basis on which the going concern basis is considered appropriate.

Interest rate cash flow risk

The Group has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances, a portion of which earn interest at fixed rates. The Group will, if it is considered appropriate, maintain a portion of its debt at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

Results and dividends

The loss for the financial period is £3,899,107 (2013 loss of £9,599,959). No dividend (2013: £46,000) was paid during the period.

Political and charitable donations

The Group made charitable donations amounting to £11,328 (2013: £11,799) during the period principally for the benefit of local communities in which the Group operates. No donations for political purposes were made during the period (2013: £Nil).

Directors

The directors who served during the period are shown on page 1.

Directors' report for the period ended 31 March 2015 (continued)

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability. Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of the Group.

Post balance sheet events

Subsequent to the period end ownership of the Group transferred to the current controlling parties from the Martin family.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the Group and parent company financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 Group and parent company and of their profit or loss 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

So far as each of the directors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the Board

D W R Martin
Managing Director
Date: 11 November 2015

Strategic report

Introduction

This Strategic Report has been prepared in accordance with the requirements of Section 414A of the Companies Act 2006. Its purpose is to inform shareholders and help them to assess how the Directors have performed their duty to promote the success of H&J Martin Holdings Limited (the "Group").

Principal activities

H&J Martin Holdings Limited is an investment holding company. The principal activities of the Group involve construction, fit-out and facilities management and the renting and development of property.

Review of business and future developments

The results for the Group show a pre-tax loss of £3,988,248 (2013: loss of £9,613,607) on sales of £104,061,579 (2013: £98,647,548).

The directors are disappointed with the financial performance of the business during the period under review. The directors believe that whilst the majority of current contracts remain profitable, the loss for the period was mainly attributable to a small number of legacy contracts, the liquidation of Acumen Facilities Management Limited and the impairment of investment property.

On 1st April 2015, H&J Martin Holdings Limited was acquired by Lagan Construction Group Holdings Limited. The acquisition has significantly improved the financial position of the Group and the directors are confident that the business as a whole will return to profitability in the near future.

Post acquisition, the directors have implemented a new strategy of selling non-core assets, reducing overall turnover and concentrating on the more profitable sectors of Fit-Out and Facilities Management.

Post acquisition there has also been a restricting of the Group's overhead base resulting in significant cost reductions which the directors believe will allow the business to be more competitive going forward and improve profitability.

Our Vison is:

To be a diverse family owned construction and asset management business that will grow to be the most respected in the industry.

Our mission is:

To provide construction and asset management solutions in an environment where people feel safe, secure and valued.

Our core values are:

Trust, Respect, Caring, Fun, Safety, Open and Honest.

Principal risks and uncertainties

The key business risks which could impact the performance of the Group are considered to be competition from both national and international contractors.

Strategic report (continued)

Key performance indicators (KPI's)

The Group's key performance indicators are as follows:

	31 March 2015	31 December 2013
Turnover (£)	**104,061,579**	98,647,548
Gross profit (£)	**2,978,603**	2,004,656
Operating loss (£)	**(4,983,963)**	(8,253,370)

Environment
The Group recognises its corporate responsibility to carry out its operations whilst minimising environmental impacts. The directors' continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

Health and safety
The Group is committed to achieving the highest practicable standards in health and safety management and strives to make all sites and offices safe environments for employees and customers alike.

Human resources
The Group's most important resource is its people; their knowledge and experience is crucial to meeting customer requirements. Retention of key staff is critical and the Group has invested increasingly in employment training and development and has introduced appropriate incentive and career progression arrangements.

By order of the Board

D W R Martin
Director
Date: 11 November 2015

Independent auditors' report to the members of H&J Martin Holdings Limited

We have audited the financial statements of H & J Martin Holdings Limited for the period ended 31 March 2015 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated balance sheet, the company balance sheet, the consolidated cashflow statement and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

1 Our opinion on the financial statements is unmodified

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 31 March 2015 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

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

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in respect of the above responsibilities.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Independent auditor's report to the members of H & J Martin Holdings Limited *(continued)*

An audit undertaken in accordance with ISAs (UK & Ireland) 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 and parent c ompany'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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

Jon D'Arcy **(Senior Statutory Auditor)**
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
Stokes House
17-25 College Square East
Belfast
BT1 6DH

Date : 16 November 2015

Consolidated profit and loss account for the period ended 31 March 2015

	Notes	31 March 2015 £	31 December 2013 £
Turnover	2		
Continuing operations		**98,462,477**	89,307,800
Discontinued operations		**5,599,102**	9,339,748
Total turnover		**104,061,579**	98,647,548
Cost of sales		**(101,082,976)**	(96,642,892)
Gross profit		**2,978,603**	2,004,656
Administrative expenses		**(7,973,685)**	(10,268,954)
Other operating income		**11,119**	10,928
Operating loss	3		
Continuing operations		**(3,914,928)**	(7,244,751)
Discontinued operations		**(1,069,035)**	(1,008,619)
Operating loss		**(4,983,963)**	(8,253,370)
Profit on sale of fixed assets		**130,977**	838,696
Exceptional item – restructuring costs relating to discontinued operations	30	**1,036,732**	(2,165,458)
Interest receivable and similar income		**5,460**	33,205
Interest payable and similar charges	6	**(177,454)**	(66,680)
Loss on ordinary activities before taxation		**(3,988,248)**	(9,613,607)
Tax on loss on ordinary activities	7	**89,141**	13,648
Loss for the financial period	8 & 21	**(3,899,107)**	(9,599,959)

All amounts above relate to continuing operations of the Group.

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial period stated above, and their historical cost equivalents.

The notes on pages 13 to 29 form part of these financial statements.

Consolidated statement of total recognised gains and losses for the period ended 31 March 2015

	Notes	**31 March 2015 £**	31 December 2013 £
Loss for the financial period		**(3,899,107)**	(9,599,959)
Revaluation of freehold land and buildings	22	-	675,000
Revaluation of investment properties	22	-	(702,592)
Currency translation difference on foreign currency net investments		**147,798**	(15,168)
Total recognised losses relating to the period		**(3,751,309)**	(9,642,719)

The notes on pages 13 to 29 form part of these financial statements.

Consolidated balance sheet as at 31 March 2015

	Notes	**31 March 2015 £**	31 December 2013 £
Fixed assets			
Intangible assets	10	**-**	-
Tangible assets	11	**3,794,221**	4,718,647
Other investments	12	**49,089**	50,000
Total investments		**49,089**	50,000
		3,843,310	4,768,647
Current assets			
Stock	13	**1,660,403**	2,435,583
Debtors	14	**18,570,654**	23,145,615
Cash at bank and in hand		**(23,983)**	2,950,702
		20,207,074	28,531,900
Creditors: amounts falling due within one year	16	**(24,088,013)**	(33,004,202)
Net current liabilities		**(3,880,939)**	(4,472,302)
Total assets less current liabilities		**(37,629)**	296,345
Creditors: amounts falling due after more than one year	17	**(4,049,073)**	(631,738)
Net liabilities		**(4,086,702)**	(335,393)
Capital and reserves			
Called up share capital	20	**100,002**	100,002
Revaluation reserve	21	**655,198**	655,198
Profit and loss account	21	**(4,841,902)**	(1,090,593)
Total shareholders' deficit	22	**(4,086,702)**	(335,393)

The notes on pages 13 to 29 form part of these financial statements.

The financial statements on pages 8 to 29 were approved by the board on 11 November 2015 and were signed on its behalf by:

D W R Martin
Director

Registered number: NI020288

Company balance sheet as at 31 March 2015

	Notes	31 March 2015 £	31 December 2013 £
Fixed assets			
Investments	12	**300,151**	299,901
Current assets			
Debtors	14	**2,654,252**	2
Cash at bank and in hand		**107**	54,632
		2,654,359	54,634
Creditors: amounts falling due within one year	16	**(251,184)**	(251,184)
Net current assets/(liabilities)		**2,403,175**	(196,550)
Total assets less current liabilities		**2,703,326**	103,351
Creditors: amounts falling due after more than one year	17	**(2,600,000)**	-
Net assets		**103,326**	103,351
Capital and reserves			
Called up share capital	20	**100,002**	100,002
Profit and loss account	21	**3,324**	3,349
Total shareholders' funds		**103,326**	103,351

The notes on pages 13 to 29 form part of these financial statements.

The financial statements on pages 8 to 29 were approved by the board on 11 November 2015 and were signed on its behalf by:

D W R Martin
Director

Registered number: NI020288

Consolidated cash flow statement for the period ended 31 March 2015

	Notes	**31 March 2015 £**	31 December 2013 £
Net cash outflow from operating activities	23	**(6,185,990)**	(1,462,576)
Returns on investments and servicing of finance			
Interest received		**5,460**	33,205
Interest paid		**(177,454)**	(66,680)
Interest element of hire purchases and finance lease payments		**-**	-
		(171,994)	(33,475)
Taxation			
Corporation tax paid		**89,110**	(56,955)
		89,110	(56,955)
Capital expenditure			
Purchase of tangible fixed assets		**(68,283)**	(297,234)
Proceeds on sale of tangible fixed assets		**320,488**	27,749
Proceeds on sale of investment		**911**	838,796
		253,116	569,311
Dividends paid		**-**	(46,000)
Net cash outflow before financing		**(6,015,758)**	(1,029,695)
Financing			
Advances of bank loans		**3,177,143**	(408,656)
Repayment of principal under hire purchase and finance lease agreements		**(136,743)**	(25,737)
		3,040,400	(434,393)
Decrease in cash in the period	24 - 25	**(2,975,358)**	(1,464,088)

The notes on pages 13 to 29 form part of these financial statements.

Notes to the financial statements for the period ended 31 March 2015

1 Accounting policies

These financial statements are prepared on the going concern basis under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. However compliance with SSAP 19, "Accounting for Investment Properties" requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given in the note relating to investment properties below.

Going concern

These financial statements have been prepared in accordance with the requirements of the Companies Act 2006 under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report and strategic report on pages 2 to 5. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are also described in the directors' report.

As described in the directors' report and strategic report on pages 2 to 5 the current economic environment is challenging and the directors consider that the outlook presents significant challenges in terms of sales volume and pricing as well as input costs. Whilst the directors have instituted measures to preserve cash, these circumstances create uncertainties over future trading results and cash flows.

Subsequent to the year end ownership of the Group has changed and as part of this arrangement financing facilities have been secured which will provide the Group with sufficient resources to ensure that liabilities can be discharged as they fall due.

Whilst noting the recent trading performance and the financial position of the Group, the directors have considered the Group's cash flow forecasts taking into account the agreement of financing facilities subsequent to the year end, and consider that the Group and parent company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of H&J Martin Holdings Limited and all of its subsidiary undertakings drawn up to 31 March 2015. Where subsidiary undertakings are acquired of or disposed of during the period, the consolidated profit and loss account includes the results from or to the effective date of acquisition or disposal. Intra-Group transactions are eliminated on consolidation.

Joint ventures

The Group's share of results of joint ventures is included in the consolidated profit and loss account and the Group's share of their net assets is included in the consolidated balance sheet using the gross equity accounting method.

Associated undertakings

The Group's share of the results and net assets of associate undertakings are included using the equity accounting method.

Joint arrangements

The Group has certain contractual agreements with other participants to engage in joint activities that do not create an entity carrying on a trade or business of its own. The Group includes its share of assets, liabilities and cash flows in such joint arrangements, measured in accordance with the terms of each arrangement.

Goodwill

Purchased goodwill arising on acquisitions is eliminated by amortisation through the profit and loss account over its useful economic life. The useful economic life of the asset shown in note 10 was revised in the year ended 31 December 2013 to reflect the liquidation of Acuman Facilities Management Ltd, the company to which the goodwill relates.

Notes to the financial statements for the period ended 31 March 2015 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets (except investment properties) are stated at either valuation or cost less accumulated depreciation.

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

Freehold land	-	Nil
Building works	-	2% straight line
Plant and machinery and other equipment	-	10% to 33.3% straight line
Motor vehicles	-	25% straight line

Investment properties

Investment properties are stated at open market value. In accordance with SSAP 19 Investment properties are not depreciated. This treatment is a departure from the requirements of the Companies Act 2006 concerning depreciation of fixed assets, however, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Interest capitalised

Interest costs directly attributable to properties in the course of development are capitalised gross of tax relief during the period of development. Capitalisation of interest ceases when substantially all of the activities that are necessary to get the asset ready for use are complete.

Investments in subsidiaries

Investments in subsidiaries are held as non-current assets and are stated at historical cost less provision for impairment.

Development property

This represents land acquired at cost and expenditure incurred to date on sites where development has commenced, including capitalised interest on specific loans. It is stated at the lower of cost and net realisable value.

Debtors

Debtors are stated after all known bad debts have been written off and specific provision has been made against all debts considered doubtful of collection.

Amounts recoverable on contracts

Turnover on long term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The amount by which the turnover exceeds payments on account is shown under debtors as amounts recoverable on contracts. Where payments on account exceed turnover and long term work in progress, the excess is classified as payments on account and is separately disclosed within creditors. Provisions are made in respect of future losses on contracts when identified.

Turnover

Turnover represents the value of contracting work executed together with rental income from investment properties and sales of development properties, excluding value added tax.

Notes to the financial statements for the period ended 31 March 2015 (continued)

1 Accounting policies (continued)

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date or the exchange rate of a related foreign exchange contract where appropriate. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the date of the transaction. The resulting gain or loss is dealt with in the profit and loss account.

Assets and liabilities of foreign subsidiaries are translated into sterling at rates of exchange ruling at the balance sheet date. The results and cash flows of foreign subsidiaries are translated into sterling using average rates of exchange. Exchange differences that result from translation of the Group's long-term investment in its foreign subsidiaries and the profits for the period retained by those entities are reported as a movement in reserves.

Notes to the financial statements for the period ended 31 March 2015 (continued)

1 Accounting policies (continued)

Leased assets

Where the Group enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful economic life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Rentals under operating leases are charged to the profit and loss account as incurred.

Pension costs

The Group operates a defined contribution scheme for its directors and employees. The cost of funding the defined contribution scheme is charged to the profit and loss account as incurred.

Government grants

Grants that relate to revenue expenditure are credited to the profit and loss account over the period that the revenue expenditure relates to.

Reporting periods

Figures in respect of 2015 relates to the 15 month period ended 31 March 2015. The 2014 figures relate to the year ended 31 December 2013.

2 Turnover

Turnover and results relate to the Group's main activity which is carried out primarily in the United Kingdom and the Republic of Ireland. No analysis of turnover and results is presented as the directors consider such disclosure to be seriously prejudicial to the Group's interests.

3 Operating loss

	2015	2013
	£	£
This is stated after charging/(crediting):		
Depreciation		
– owned assets	**285,803**	330,145
– under hire purchase and finance lease agreements	**40,915**	38,800
Other operating lease rentals	**188,647**	133,117
Fees payable to the company's auditor for:		
– Audit of these financial statements	**3,200**	3,200
– Audit of financial statements of subsidiaries of the company	**19,050**	32,984
– Taxation compliance services	**4,500**	7,043
– Corporate finance services	**115,201**	-
Government grants	**-**	(10,000)

Notes to the financial statements for the period ended 31 March 2015 (continued)

4 Employee information

The holding company has no employees aside from executive directors. None of the directors received any remuneration in respect of services to the holding company (2013: £Nil).

	2015	2013
	£	£
Staff costs		
Wages and salaries	**15,337,538**	12,729,011
Social security costs	**1,357,114**	1,374,814
Other pension costs	**587,891**	371,857
	17,282,543	14,475,682

	Number	Number
The average monthly number of persons employed by the Group (including executive directors) during the period by activity was:		
Weekly paid	**40**	35
Salaried	**419**	362
	459	397

5 Directors' emoluments

	2015	2013
	£	£
Aggregate emoluments	**424,636**	359,303
Company pension contributions to defined contribution schemes	**85,604**	70,528
	510,240	429,831

	£	£
Highest paid director		
Aggregate emoluments	**147,873**	126,786
Company pension contributions to defined contribution schemes	**30,320**	25,003

Retirement benefits are accruing to three (2013: three) directors under defined contribution schemes.

6 Interest payable and similar charges

	2015	2013
	£	£
Interest payable on bank loans and overdrafts	**141,345**	55,907
Interest payable on other loans	**33,830**	-
Interest payable on hire purchase and finance lease agreements	**2,279**	10,773
	177,454	66,680

Notes to the financial statements for the period ended 31 March 2015 (continued)

7 Tax on loss on ordinary activities

	2015	2013
	£	£
Current tax:		
UK corporation tax on losses for the period	-	-
Overseas corporation tax on profits for the period	-	(9)
Adjustment in respect of previous periods	(43,833)	(10,089)
Total current tax	(43,833)	(10,098)
Deferred tax:		
Accelerated capital allowances and other timing differences	(41,974)	-
Adjustment in respect of previous periods	(6,043)	-
Impact of change in deferred tax rate	2,709	(3,559)
Currency translation difference on period movement	-	9
Total deferred tax (Note 15)	(45,308)	(3,550)
Tax on loss on ordinary activities	(89,141)	(13,648)

The tax assessed for the period differs from the standard rate of Corporation Tax in the UK of 21.38% (2013: 23.25%). The differences are explained below:

	2015	2013
	£	£
Loss on ordinary activities before taxation	(3,988,248)	(9,613,607)
Loss on ordinary activities multiplied by the standard rate of corporation tax of 23.25% (2013: 24.5%)	(852,687)	(2,235,164)
Effect of:		
Expenses not deductible for tax purposes	67,349	351,237
Origination and reversal of timing differences	41,974	27,083
Overseas lossestaxed at rates other than 23.25%	-	(113,885)
Currency translation difference on period movement	-	(9)
Adjustment in respect of previous periods	(43,833)	(10,089)
Tax losses not recognised	743,364	1,426,020
Other timing differences	-	(3,850)
Non-taxable income	-	(205,657)
Write off iof goodwill on consolidation not deductable	-	754,216
Current period tax credit	(43,833)	(10,098)

Factors affecting future tax charge

Reductions in the UK corporation tax rate from 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at the balance sheet date has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes to the financial statements for the period ended 31 March 2015 (continued)

8 Profit for the financial period

As permitted by Section 408 of the Companies Act 2006, the parent company's profit and loss account has not been included in these financial statements. The parent company loss for the financial period is £25 (2013: profit of £45,975).

9 Dividends

	2015	2013
	£	£
Final paid £Nil per share (2013: 46.00p per share)	-	46,000

10 Intangible assets

	Goodwill
	£
Cost	
At 1 January 2014	2,624,798
At 31 March 2015	**2,624,798**
Accumulated amortisation	
At 1 January 2014	2,624,798
Charge for the period	-
At 31 March 2015	**2,624,798**
Net book value	
At 31 March 2015	-
At 31 December 2013	-

Notes to the financial statements for the period ended 31 March 2015 (continued)

11 Tangible assets

Group	Investment property £	Land and buildings £	Plant, machinery and office equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2014	3,096,024	1,106,868	1,814,899	555,623	6,573,414
Additions	-	483	67,801	-	68,284
Currency adjustment	-	(19,104)	(66,941)	(30,045)	(116,090)
Disposals	(6,964)	(198,995)	(68,000)	(66,769)	(340,728)
Impairment	(186,142)	-	-	-	(186,142)
Liquidation of subsidiary (see note 30)	-	(129,144)	(468,491)	(202,351)	(799,986)
At 31 March 2015	**2,902,918**	**760,108**	**1,279,268**	**256,458**	**5,198,752**
Accumulated depreciation					
At 1 January 2014	-	86,367	1,428,535	339,865	1,854,767
Charge for period	-	15,320	238,874	61,055	315,249
Currency adjustment	-	(7,052)	(54,124)	(7,384)	(68,560)
On disposals	-	(22,252)	(68,000)	(60,965)	(151,217)
Liquidation of subsidiary (see note 30)	-	(61,722)	(403,901)	(80,085)	(545,708)
At 31 March 2015	**-**	**10,661**	**1,141,384**	**252,486**	**1,404,531**
Net book value					
At 31 March 2015	**2,902,918**	**749,447**	**137,884**	**3,972**	**3,794,221**
At 31 December 2013	3,096,024	1,020,501	386,364	215,758	4,718,647

Analysis of land and buildings

Group	**2014** £	2013 £
The net book value of land and buildings comprises		
Freehold	**729,646**	729,646
Long leasehold	**19,801**	290,855
	749,447	1,020,501

The net book amount includes £6,307 in respect of motor vehicles held under hire purchase and finance lease agreements (2013: £51,267).

The carrying value of the investment property includes £364,594 (2013:£364,594) of interest on borrowings which had been capitalised in prior years. This interest was on specific borrowings used for development purposes. There has been no interest capitalised in the current period (2013: £Nil).

The Group's freehold land and buildings were revalued on 18 December 2014 by CBRE Limited on an open market value in accordance with The RICS Valuation – Professional Standards (2013) ("the Red Book")

Notes to the financial statements for the period ended 31 March 2015 (continued)

11 Tangible assets (continued)

Group	Land & Buildings 2015 £	Land & Buildings 2013 £	Investment property 2015 £	Investment property 2013 £
Analysis at cost or valuation				
Valuation	**749,447**	1,020,501	**2,902,918**	3,096,024
Cost	-	-	-	-
	749,447	1,020,501	**2,902,918**	3,096,024

The long leasehold investment property was valued on 31 December 2014 by the directors, on an open market value basis.

If the land and buildings had not been revalued, they would have been included at the following amounts:

Group	Land & Buildings 2015 £	Land & Buildings 2013 £	Investment property 2015 £	Investment property 2013 £
Cost	**75,862**	433,285	**3,065,691**	3,072,655
Aggregate depreciation	**(70,243)**	(156,611)	-	-
Net book value based on historical cost	**5,619**	276,674	**3,065,691**	3,072,655

12 Investments

Group	Investment in associate undertakings £	Other investments £	Total £
Cost or valuation			
At 1 January 2014	500	49,500	50,000
Additions	250	-	250
Disposals	-	(1,161)	(1,161)
At 31 March 2015	**750**	**48,339**	**49,089**
Amounts written off			
At 1 January and at 31 March 2015	-	-	-
Net book amount			
At 31 March 2015	**750**	**48,339**	**49,089**
At 31 December 2013	500	49,500	50,000

Investment in associate undertaking

As at 1 January 2014 the Group also owned 500 ordinary £1 shares, the equivalent of a 10% stake, in AMEY FMP Strategic Partnership Holding Company Limited. During the period, the Group purchased a further 5% stake. The company is incorporated in England and Wales.

Notes to the financial statements for the period ended 31 March 2015 (continued)

12 Investments (continued)

Other investments

Other investments comprise ground rents at valuation.

Company	Investment in subsidiary undertakings £	Investment in associate undertakings £	Total £
Cost and net book amount			
At 1 January 2014 and 31 March 2015	**299,401**	**750**	**300,151**

The Group's principal operating subsidiaries during the period, which have a financial period ending on 31 March 2015, are as follows:

Name	Country of incorporation	Principal activity	Percentage of ordinary shares held Indirect	Direct
The Martin Estates Company Limited	Northern Ireland	Construction, developing and renting of property	-	100
H&J Martin Limited	Northern Ireland	Construction, fit out and facilities management	100	-
Acuman Facilities Management Limited	Republic of Ireland	Facilities management	-	-
Acuman UK Limited (Wholly owned subsidiary of Acuman Facilities Management Limited)	Northern Ireland	Facilities management	-	-
H&J Martin Construction and Fit-out SRL	Romania	Construction and fit-out	100	-

During the period Acuman Facilities Management Limited was placed into voluntary liquidation at which date H&J Martin Holdings Limited lost control of the company and its subsidiary, Acuman UK Limited. From this date the results and financial position of these subsidiaries ceased to be consolidated in the results of H&J Martin Holdings Limited.

13 Stock

Group	**Group 2015 £**	Group 2013 £
Development property	**1,660,403**	2,435,583

Included in development property is interest on borrowings previously capitalised amounting to £287,897 (2013: £287,897). No interest has been capitalised in respect of the current period (2013: £Nil).

Notes to the financial statements for the period ended 31 March 2015 (continued)

14 Debtors

	Group 2015 £	**Company 2015 £**	Group 2013 £	Company 2013 £
Amounts recoverable on contracts	**9,898,768**	-	10,523,800	-
Trade debtors	**8,273,281**	-	11,254,850	-
Amounts owed by subsidiary undertaking	**-**	2,654,250	-	-
Amount owed by related party undertakings	**-**	-	760,755	-
Other debtors	**146,400**	2	32,290	2
Corporation tax recoverable	**16,015**	-	97,227	-
Other tax and social security	**-**	-	17,128	-
Prepayments and accrued income	**153,843**	-	407,897	-
Deferred taxation (note 15)	**82,347**	-	51,668	-
	18,570,654	2,654,252	23,145,615	2

Amounts owed by subsidiary undetakings include £2.6m due after more than one year (2013: £Nil).

15 Deferred tax asset

Deferred tax comprises:

	2015 £	2013 £
Accelerated capital allowances	**75,052**	51,668
Other timing differences	**7,295**	-
Total deferred tax asset	**82,347**	51,668

	£	**£**
Movement in the period:		
At 1 January 2014	**51,668**	47,872
Currency Adjustment	**-**	246
Liquidation of subsidiary (see note 30)	**(14,629)**	-
Deferred tax credited in profit and loss account	**45,308**	3,550
At 31 March 2015	**82,347**	51,668

Notes to the financial statements for the period ended 31 March 2015 (continued)

16 Creditors: amounts falling due within one year

	Group 2015 £	Company 2015 £	Group 2013 £	Company 2013 £
Overdraft	673	-	-	-
Bank loans (note 19)	130,000	-	437,511	-
Payments received on account	266	-	795,628	-
Trade creditors	15,074,002	-	18,338,554	-
Amounts owed to subsidiary undertakings	5,506	251,184	-	251,184
Amounts owed to related party undertakings	343,984	-	-	-
Obligations under hire purchase and finance lease agreements (note 18)	613	-	70,037	-
Other creditors	48,846	-	322,705	-
Corporation tax payable	-	-	31	-
Other taxes and social security	848,883	-	1,146,137	-
Accruals and deferred income	6,287,373	-	8,670,442	-
Provision for foreseeable losses on contracts	1,347,867	-	3,223,157	-
	24,088,013	251,184	33,004,202	251,184

17 Creditors: amounts falling due after more than one year

Group	2015 £	2013 £
Bank loans (note 19)	1,449,073	564,419
Other loans	2,600,000	-
Obligations under hire purchase and finance lease agreements (Note 18)	-	67,319
	4,049,073	631,738

Company	2015 £	2013 £
Other loans	2,600,000	-

18 Obligations under hire purchase and finance lease agreements

Group	2015 £	2013 £
Net payments under hire purchase and finance lease agreements		
Within one year	613	70,037
In more than one year, but not more than five years	-	67,319
	613	137,356

Notes to the financial statements for the period ended 31 March 2015 (continued)

19 Loans and overdrafts

Group	2015 £	2013 £
Maturity of debt		
Less than one year, or on demand	**130,673**	437,511
Between one and two years	**2,730,000**	166,200
Between two and five years	**390,000**	398,219
After more than five years	**929,073**	-
	4,179,746	1,001,930

Security

The amount due to Ulster Bank Limited £1,579,073 (2013: £730,619) is secured by a first charge on development property at Lombard Street and cross guarantees from H&J Martin Limited and by H&J Martin Holdings Limited. The Ulster Bank loan has a five year term and is repayable in monthly installments of £32,500 and a final balancing installment at the end of the term. At the balance sheet date, interest accrues at the rate of £3,998 (2013: £1,193) per month.

Other loans of £2,600,000 are secured against property held by the H&J Martin Group. The other loans are expected to be repaid wthin one to two years.

20 Called up share capital

	2015 £	2013 £
Allotted and fully paid		
100,002 ordinary shares of £1 each	**100,002**	100,002

Notes to the financial statements for the period ended 31 March 2015 (continued)

21 Reserves

	Group revaluation reserve £	Group profit and loss reserve £	Company profit and loss reserve £
At 1 January 2014	655,198	(1,090,593)	3,349
Loss for the financial period	-	(3,899,107)	(25)
Currency translation difference on foreign currency net investments	-	147,798	-
At 31 March 2015	**655,198**	**(4,841,902)**	**3,324**

22 Reconciliation of movements in shareholders' (deficit)/funds

	2015 £	2013 £
Loss for the financial period	**(3,899,107)**	(9,599,959)
Revaluation of freehold land	-	675,000
Revaluation of investment properties	-	(702,592)
Dividend paid	-	(46,000)
Other recognised gains and losses	**147,798**	(15,168)
Net reduction in shareholders' funds	**(3,751,309)**	(9,688,719)
Opening shareholders'(deficit)/funds	**(335,393)**	9,353,326
Closing shareholders' deficit	**(4,086,702)**	(335,393)

23 Net cash outflow from operating activities

	2015 £	2013 £
Operating loss	**(4,983,963)**	(8,253,370)
Depreciation charge	**315,249**	368,625
Impairment	**186,142**	-
Currency adjustment	-	(21,198)
Liquidation of subsidiary	**1,036,732**	
Movement in stock	**775,180**	846,271
Movement in debtors	**4,574,961**	2,654,315
Movement in creditors	**(8,090,291)**	2,942,781
Net cash outflow from operating activities	**(6,185,990)**	(1,462,576)

Notes to the financial statements for the period ended 31 March 2015 (continued)

24 Analysis of net funds

	31 December 2013 £	Cash flow £	**31 March 2015 £**
Cash at bank and in hand	2,950,702	(2,975,358)	**(24,656)**
Debt due within one year	(437,511)	307,511	**(130,000)**
Debt due after one year	(564,419)	(3,484,654)	**(4,049,073)**
Finance leases	(137,356)	136,743	**(613)**
	(1,139,286)	(3,040,400)	**(4,179,686)**
Net debt	1,811,416	(6,015,758)	**(4,204,342)**

25 Reconciliation of net cash flow to movement in net funds

	2015 £	2013 £
Decrease in cash in financial period	**(2,975,358)**	(1,464,088)
Cash flow from movement in debt	**(3,040,400)**	434,393
Change in net debt resulting from cash flows	**(6,015,758)**	(1,029,695)
Movement in net debt in the period	**(6,015,758)**	(1,029,695)
Net funds at beginning of period	**1,811,416**	2,841,111
Net debt at end of period	**(4,204,342)**	1,811,416

26 Financial commitments

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

	Land and buildings 2015 £	Land and buildings 2013 £	**Motor vehicles 2015 £**	Motor vehicles 2013 £
Within one year	**-**	-	**23,202**	4,635
In more than one year but not more than five years.	**-**	31,561	**110,042**	134,967
After more than five years	**-**	-	**-**	-
	-	31,561	**133,244**	139,602

Notes to the financial statements for the period ended 31 March 2015 (continued)

27 Contingent liabilities

As is usual in the construction industry, there are claims arising in the normal course of trading which are in the process of settlement and in some cases involve or may involve litigation. The Group also enters into guarantee bonds in the usual course of business. The directors are of the opinion that the provisions made in the financial statements together with relevant insurances are adequate to meet any liabilities which may arise.

28 Related party transactions

The Company has taken advantage of the exemption under FRS 8 "Related party disclosures" not to disclose related party transactions between Group undertakings.

Group companies conducted transactions with related party joint venture, joint arrangement and associated entities during the period as follows:

Graham Martin Joint Venture

At 31 March 2015 Graham Martin Joint Venture was owed £4,108 (2013: £2,145) by H & J Martin Limited. These balances relate to the recharge of works and are undertaken on an arm's length basis.

FMP JV

Contracting work invoiced to FMP JV during the period amounted to £2,684 (2013: £1,490,533). At 31 March 2015 H&J Martin Limited owed FMP JV £339,626 (2013: FMPJV owed H &J Martin Ltd £758,609).

Triforge Limited

At 31 March 2015 H&J Martin Holdings owed £2,600,000 to Triforge Limited, a company under common control.

29 Ultimate controlling party

The directors regard Lagan Construction Group Holdings Limited to be the ultimate parent company and the Lagan family to be the ultimate controlling party.

Ownership of the Group transferred to the current controlling parties from the Martin family subsequent to the year end.

Notes to the financial statements for the period ended 31 March 2015 (continued)

30 Exceptional Item

On 24 October 2014, liquidation proceedings were commenced in respect of Acuman Facilities Management Limited. The profit and loss account for Acuman Facilities Management Limited for the period to this date has been consolidated into the profit and loss account for the Group. Acuman Facilities Management and Acuman UK Limited had net liabilities at liquidation of £2,741,545 and Acuman Facilities Management Limited owed the group companies a total of £1,704,813.

At the date of liquidation of Acuman Facilities Management Limited, its direct subsidiary, Acuman UK Limited, had net liabilities of £94,072.

The exceptional item is as follows:-

	2015
	£
Net liabilities no longer payable	**2,741,545**
Inter-company debtor balance written off	**(1,704,813)**
Exceptional Item	**1,036,732**

In 2013, the goodwill arising on consolidation in respect of Acuman Facilities Management Limited was written off, resulting in an exceptional charge of £2,165,458.

31 Post balance sheet events

Subsequent to 31 March 2015 ownership of the Group transferred to the current controlling parties from the Martin family.