

COMPANY REGISTRATION NUMBER NI624100

WESTERN BUILDING SYSTEMS (HLD) LTD
FINANCIAL STATEMENTS
30 APRIL 2015



CORR & CORR

Chartered Accountants & Statutory Auditor
2nd Floor
The Cornmill
Lineside
Coalisland
DUNGANNON
Tyrone
BT71 4LP

WESTERN BUILDING SYSTEMS (HLD) LTD

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

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WESTERN BUILDING SYSTEMS (HLD) LTD

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr M McCloskey
Mrs N McCloskey
Mr D McCloskey
Mrs M Canavan

Registered office

11 Mountjoy Road
Coalisland
Co. Tyrone
NI
BT71 5DQ

Auditor

Corr & Corr
Chartered Accountants
& Statutory Auditor
2nd Floor
The Cornmill
Lineside
Coalisland
DUNGANNON
Tyrone
BT71 4LP

Bankers

First Trust Bank
18-20 Scotch St
Dungannon
Co. Tyrone
BT70 1AZ

Solicitors

PA Duffy & Co Solicitors
5-7 Irish St
Dungannon
County Tyrone
BT70 1JW

WESTERN BUILDING SYSTEMS (HLD) LTD
STRATEGIC REPORT
YEAR ENDED 30 APRIL 2015

Principal Activities

The Principal Activity of the Group is Construction and Property Development to include Commercial Property Rental.

Business Review

Both the level of the business and year-end financial position were considered satisfactory and the directors expect that the current level of activity will be sustained in the future.

The results for the year are set out in the Financial Accounts and notes.

Principal Risks and Uncertainties

The key business risks and uncertainties affecting the Group are increasing raw material costs and maintaining sales levels.

The Groups Management endeavour to mitigate these risks by implementing regular strategic and operational reviews.

Key Performance Indicators

The Group's directors are of the opinion that analysis using Key Performance indicators is not necessary for an understanding of the development or performance of the business.

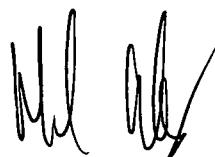
Financial Risk Management

Where there is significant exposure to fluctuations in the exchange rates of foreign currencies the Group enters into appropriate forward contracts to mitigate the risk.

Future Outlook

The directors remain confident that the current level of performance will be sustained in the future.

Signed on behalf of the directors



Mr Martin McCloskey
Director



Mr Declan McCloskey
Director

Approved by the directors on 11 January 2016

WESTERN BUILDING SYSTEMS (HLD) LTD

DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2015

The directors present their report and the financial statements of the group for the year ended 30 April 2015.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £3,790,728. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Details of the group's financial risk management objectives and policies are included in note 18 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

Mr M McCloskey

Mrs N McCloskey

Mr D McCloskey

Mrs M Canavan

DIRECTORS' RESPONSIBILITIES

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

WESTERN BUILDING SYSTEMS (HLD) LTD

DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 APRIL 2015

AUDITOR

Corr & Corr are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Registered office:
11 Mountjoy Road
Coalisland
Co. Tyrone
NI
BT71 5DQ

Signed on behalf of the directors



Mr Martin McCloskey
Director



Mr Declan McCloskey
Director

Approved by the directors on 11 January 2016

WESTERN BUILDING SYSTEMS (HLD) LTD
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WESTERN BUILDING SYSTEMS (HLD) LTD
YEAR ENDED 30 APRIL 2015

We have audited the group and parent company financial statements ("the financial statements") of WESTERN BUILDING SYSTEMS (HLD) LTD for the year ended 30 April 2015 which comprise the Profit and Loss Account, Group Balance Sheet and Company Balance Sheet, Group Cash Flow 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 30 April 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

WESTERN BUILDING SYSTEMS (HLD) LTD
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
WESTERN BUILDING SYSTEMS (HLD) LTD *(continued)*

YEAR ENDED 30 APRIL 2015

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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.



BRENDAN CORR (Senior Statutory Auditor)

For and on behalf of
CORR & CORR
Chartered Accountants
& Statutory Auditor

2nd Floor
The Cornmill
Lineside
Coalisland
DUNGANNON
Tyrone
BT71 4LP

11 January 2016

WESTERN BUILDING SYSTEMS (HLD) LTD

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2015

	Note	2015 £
GROUP TURNOVER	2	34,162,310
Cost of sales		<u>26,411,129</u>
GROSS PROFIT		7,751,181
Distribution costs		356,215
Administrative expenses		3,117,943
Other operating income	3	<u>(28,749)</u>
OPERATING PROFIT	4	4,305,772
Interest receivable		136,198
Interest payable and similar charges	7	<u>(2,315)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,439,655
Tax on profit on ordinary activities	8	<u>648,927</u>
PROFIT FOR THE FINANCIAL YEAR	9	<u>3,790,728</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above.

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

The notes on pages 11 to 22 form part of these financial statements.

WESTERN BUILDING SYSTEMS (HLD) LTD

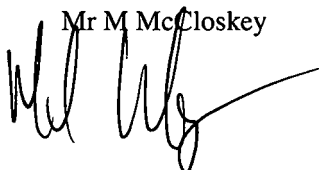
GROUP BALANCE SHEET

30 APRIL 2015

	Note	£	2015 £
FIXED ASSETS			
Intangible assets	10		811,378
Tangible assets	11		530,110
			<u>1,341,488</u>
CURRENT ASSETS			
Stocks	13	4,102,941	
Debtors	14	3,681,230	
Cash at bank and in hand		17,277,573	
		<u>25,061,744</u>	
CREDITORS: Amounts falling due within one year	15	10,283,102	
NET CURRENT ASSETS			<u>14,778,642</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,120,130</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	17		124,481
			<u>15,995,649</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20		40,100
Profit and loss account	21		15,955,549
SHAREHOLDERS' FUNDS	22		<u>15,995,649</u>

These accounts were approved by the directors and authorised for issue on 11 January 2016, and are signed on their behalf by:

Mr M McCloskey



Mr D McCloskey



The notes on pages 11 to 22 form part of these financial statements.

WESTERN BUILDING SYSTEMS (HLD) LTD

BALANCE SHEET

30 APRIL 2015

	Note	£	2015 £
FIXED ASSETS			
Investments	12		40,004
CURRENT ASSETS			
Debtors	14	96	
Cash at bank		7,257,384	
		<u>7,257,480</u>	
CREDITORS: Amounts falling due within one year	15	<u>3,500</u>	
NET CURRENT ASSETS			<u>7,253,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,293,984</u>
CAPITAL AND RESERVES			
Called-up equity share capital	20		40,100
Profit and loss account	21		7,253,884
SHAREHOLDERS' FUNDS			<u>7,293,984</u>

These accounts were approved by the directors and authorised for issue on 11 January 2016, and are signed on their behalf by:

Mr M McCloskey



Mr D McCloskey



Company Registration Number: NI624100

The notes on pages 11 to 22 form part of these financial statements.

WESTERN BUILDING SYSTEMS (HLD) LTD

GROUP CASH FLOW

YEAR ENDED 30 APRIL 2015

		2015
	Note	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	23	6,894,036
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	23	133,883
TAXATION	23	(471,279)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	23	(282,390)
CASH INFLOW BEFORE FINANCING		6,274,250
FINANCING	23	40,200
INCREASE IN CASH	23	<u>6,314,450</u>

The notes on pages 11 to 22 form part of these financial statements.

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Related parties transactions

On the basis that 100% of the Company's voting rights are controlled within the group of companies of which it is a member, the company has taken advantage of the exemption not to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 5% Per Annum

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	-	25% Straight Line
Fixtures & Fittings	-	25% Straight Line
Motor Vehicles	-	25% Straight Line

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES *(continued)*

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Company

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

1. ACCOUNTING POLICIES *(continued)*

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are taken to the profit and loss account. Exchange differences arising on non-monetary items, carried at fair value, are included in the profit and loss account, except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recorded in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

Group

For the purposes of preparing consolidated financial statements, the assets and liabilities of foreign subsidiary undertakings are translated at the exchange rates ruling at the balance sheet date. Profit and loss items are translated at the average exchange rates for the year, unless exchange rates fluctuated significantly in the year, in which case the exchange rates ruling at the dates of the transactions are used. Exchange differences arising are taken to the Group's foreign currency translation reserve. Such exchange differences are recognised in the profit and loss account in the year in which a foreign subsidiary undertaking is disposed of.

Goodwill and fair adjustments arising on the acquisition of a foreign subsidiary undertaking are treated as assets and liabilities of the foreign subsidiary and translated at the closing rate.

2. TURNOVER

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

	2015 £
United Kingdom	20,334,857
Republic of Ireland	13,827,453
	<u>34,162,310</u>

3. OTHER OPERATING INCOME

	2015 £
Other operating income	17,593
Other operating income	11,156
	<u>28,749</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

4. OPERATING PROFIT

Operating profit is stated after charging:

	2015 £
Amortisation of intangible assets	72,444
Depreciation of owned fixed assets	54,043
Loss on disposal of fixed assets	16,013
Net loss on foreign currency translation	71,053
Auditor's remuneration	<u>14,430</u>
	2015 £
Auditor's remuneration - audit of the financial statements	<u>14,430</u>

5. PARTICULARS OF EMPLOYEES

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

	2015 No
Number of production staff	43
Number of administrative staff	<u>10</u>
	<u>53</u>

The aggregate payroll costs of the above were:

	2015 £
Wages and salaries	1,484,379
Social security costs	-
Other pension costs	<u>447,394</u>
	<u>1,931,773</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2015 £
Remuneration receivable	<u>234,005</u>

Remuneration of highest paid director:

	2015 £
Total remuneration (excluding pension contributions)	<u>68,104</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015
	£
Other similar charges payable	<u>2,315</u>

8. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2015	
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year at 20%		568,099
Total current tax		<u>568,099</u>
Deferred tax:		
Origination and reversal of timing differences	80,828	
Total deferred tax (note 17)		80,828
Tax on profit on ordinary activities		<u>648,927</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20%.

	2015
	£
Profit on ordinary activities before taxation	<u>4,439,655</u>
Profit on ordinary activities by rate of tax	887,931
Expenses not deductible for tax purposes	(28,963)
Capital allowances for period in excess of depreciation	(14,713)
Adjustments to tax charge in respect of previous periods	<u>(276,156)</u>
Total current tax (note 8(a))	<u>568,099</u>

9. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the financial statements of the parent company was £7,253,884.

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

10. INTANGIBLE FIXED ASSETS

Group	Type 1
	£
COST	
At 1 May 2014 and 30 April 2015	<u>1,448,884</u>
AMORTISATION	
At 1 May 2014	565,062
Charge for the year	<u>72,444</u>
At 30 April 2015	<u>637,506</u>
NET BOOK VALUE	
At 30 April 2015	<u>811,378</u>

Intangible Fixed Assets represents Goodwill arising on the Incorporation of the trade of Western Building Systems Ltd, which is being written off over 20 Years.

The Company had no intangible fixed assets at 30th April 2015.

11. TANGIBLE FIXED ASSETS

Group	Land & Property	Plant & Machinery	Fixtures Fitting & Equipment	Motor Vehicles	Total
	£	£	£	£	£
COST					
At 1 May 2014	50,000	897,562	86,945	125,201	1,159,708
Additions	250,000	9,200	–	45,600	304,800
Disposals	–	(79,000)	–	–	(79,000)
At 30 April 2015	<u>300,000</u>	<u>827,762</u>	<u>86,945</u>	<u>170,801</u>	<u>1,385,508</u>
DEPRECIATION					
At 1 May 2014	–	689,685	69,452	82,795	841,932
Charge for the year	–	35,701	4,126	14,216	54,043
On disposals	–	(40,577)	–	–	(40,577)
At 30 April 2015	<u>–</u>	<u>684,809</u>	<u>73,578</u>	<u>97,011</u>	<u>855,398</u>
NET BOOK VALUE					
At 30 April 2015	<u>300,000</u>	<u>142,953</u>	<u>13,367</u>	<u>73,790</u>	<u>530,110</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

11. TANGIBLE FIXED ASSETS *(continued)*

Freehold Land & Property refers to a development site purchased by the company in 2012. Directors felt it appropriate to have the development site independently valued for Audit Purposes. RICS Member GP McGarrigle, Survey Services has valued the property at £50,000 in June 2015. Freehold Land & Property additions refers to land purchased by the company during the year. As the land was only purchased on 8th September 2014 it was not deemed necessary for valuation to be carried out and therefore land was carried at cost of £250,000.

The Company had no tangible fixed assets as 30th April 2015.

12. INVESTMENTS

Company	Group companies £
COST	
Additions	<u>40,004</u>
At 30 April 2015	<u>40,004</u>
NET BOOK VALUE	
At 30 April 2015	<u>40,004</u>

Group investments

The parent company and the group have investments in the following subsidiary undertakings which are unlisted:

Name	Country of incorp	Holding	Proportion of voting rights	Principal activity
Subsidiary undertakings				
Western Building Systems Ltd	N Ireland	Ordinary shares	100%	Construction
Jas Properties Ltd	N Ireland	Ordinary shares	100%	Property Development
Western Commercial Properties Ltd	N Ireland	Ordinary shares	100%	Dormant

13. STOCKS

	Group £	Company £
Raw materials	161,131	—
Work in progress	1,734,810	—
Finished goods	<u>2,207,000</u>	—
	<u>4,102,941</u>	—

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

14. DEBTORS

	Group £	Company £
Trade debtors	2,027,750	–
Other debtors	1,617,014	–
Called up share capital not paid	100	96
Prepayments and accrued income	36,366	–
	<u>3,681,230</u>	<u>96</u>

15. CREDITORS: Amounts falling due within one year

	Group £	Company £
Trade creditors	6,631,766	–
Directors' loan accounts	2,000,640	–
Other creditors including taxation and social security:		
Corporation tax	53,167	–
PAYE and social security	107,015	–
Accruals and deferred income	1,490,514	3,500
	<u>10,283,102</u>	<u>3,500</u>

First Trust Bank Have made available the following facilities, £1m overdraft, €500K overdraft, Forward Contract of £5m and Contract Bonds of £3.1m & €1.1m . Directors of the company, Mr. Martin & Mrs. Nora McCloskey & Mr Declan McCloskey, have personally guaranteed facilities to First Trust Bank for £2,250,000, wherein their liability is limited to Legal Charge over commercial premises at 11 Mountjoy Road, Coalisland. First Trust Bank also have a Mortgage Debenture incorporating a Fixed & Floating Charge over all company assets, present and future. Directors Martin & Nora McCloskey have in addition counter indemnified Contract Bonds amounting to €500,000 & counter indemnified Contract Bonds in favour of Health Service and Department of Education& Stills amounting to €1,749,656 over several sites.

16. PENSIONS

The pension costs charged in the financial statements represent the contribution payable by the company during the year. The company contributes to pension schemes in respect of employees. The scheme and its assets are held by independent managers. The schemes do not form part of the assets of the Group. The pension charge represents contributions made by the company and amounted to £447,394.

17. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was:

	Group £	Company £
Provision for year	124,481	–
Provision carried forward	<u>124,481</u>	<u>–</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

17. DEFERRED TAXATION *(continued)*

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of:

	Provided	Unprovided
		£
Excess of taxation allowances over depreciation on fixed assets	80,828	-
Tax losses available	43,653	-
	<u>124,481</u>	<u>-</u>

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company where relevant engage in Foreign Currency Forward contracts in order to hedge foreign currency exposure.

19. RELATED PARTY TRANSACTIONS

On the basis that 100% of the Company's voting rights are controlled within the group of companies of which it is a member, the company has taken advantage of the exemption not to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties. Bush Property Developments Ltd is a development company owned and operated by Company Directors, Mr. Declan McCloskey and Mrs. Melissa Canavan. During the year a loan was advanced of £11,925 to Bush Property Developments Ltd by Western Building Systems Ltd, balance owing being £11,925 at the year end. £380,000 has been advanced to Bush Properties Ltd by Jas Properties Ltd, in respect of the purchase of a Development Site. Monies will be repaid following the sale of the developed houses. Katabol Consultants Ltd is a property development company in which the directors of the Group are also directors. Katabol Consultants Ltd have received a loan from Jas Properties Ltd amounting to £1,380,724, all of which remains outstanding as at the financial year end.

20. SHARE CAPITAL

Allotted and called up:

	No	£
Ordinary shares of £1 each	<u>40,100</u>	<u>40,100</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2015
	£
Ordinary shares	<u>100</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

21. RESERVES

Group	Profit and loss account £
Balance brought forward	12,164,821
Profit for the year	3,790,728
Balance carried forward	<u>15,955,549</u>
Company	Profit and loss account £
Profit for the year	7,253,884
Balance carried forward	<u>7,253,884</u>

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £
Profit for the financial year	3,790,728
New ordinary share capital subscribed	40,200
Net addition to shareholders' funds	<u>3,830,928</u>
Opening shareholders' funds	12,164,721
Closing shareholders' funds	<u>15,995,649</u>

23. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £
Operating profit	4,305,772
Amortisation	72,444
Depreciation	54,043
Loss on disposal of fixed assets	16,013
Increase in stocks	(4,102,941)
Increase in debtors	(3,681,230)
Increase in creditors	<u>10,229,935</u>
Net cash inflow from operating activities	<u>6,894,036</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

23. NOTES TO THE CASH FLOW STATEMENT *(continued)*

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2015 £
Interest received	136,198
Interest paid	<u>(2,315)</u>
Net cash inflow from returns on investments and servicing of finance	<u>133,883</u>

TAXATION

	2015 £
Taxation	<u>(471,279)</u>

CAPITAL EXPENDITURE

	2015 £
Payments to acquire tangible fixed assets	(304,800)
Receipts from sale of fixed assets	<u>22,410</u>
Net cash outflow from capital expenditure	<u>(282,390)</u>

FINANCING

	2015 £
Issue of equity share capital	<u>40,200</u>
Net cash inflow from financing	<u>40,200</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2015 £
Increase in cash in the period	<u>6,314,450</u>
Movement in net funds in the period	<u>6,314,450</u>
Net funds at 1 May 2014	—
Net funds at 30 April 2015	<u>17,277,573</u>

WESTERN BUILDING SYSTEMS (HLD) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2015

23. NOTES TO THE CASH FLOW STATEMENT *(continued)*

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 May 2014 £	Cash flows £	At 30 Apr 2015 £
Net cash:			
Cash in hand and at bank	–	17,277,573	17,277,573
Net funds	–	17,277,573	17,277,573

24. ULTIMATE CONTROLLING INTEREST

Ultimate Controlling Party is Company Directors & Shareholders Mr Martin & Mrs Nora McCloskey