Van Elle 03 Limited

Consolidated statement of comprehensive Inco
for the year ended 30 April 2016

	Note	2016 £'000	2015 £'000 As restated note 25
Revenue	3	84,199	73,586
Cost of sales		(53,796)	(48,135)
Gross profit		30,403	25,451
Administrative expenses		(19,348)	(18,079)
Profit from operations		11,055	7,372
Finance expense	6	(344)	(335)
Finance income	6	11	-
Profit before tax		10,722	7,037
Tax expense	7	(2,277)	(1,609)
Profit after tax		8,445	5,428
Other comprehensive income		-	-
Total comprehensive income		8,445	5,428

All amounts relate to continuing operations

The notes on pages 14 to 42 form part of these financial statements

Van Elle 03 Limited

Consolidated statement of financial position
at 30 April 2016

	Note	2016 £'000	2015 £'000 As restated note 25	2014 £'000 As restated note 25
Assets				
Non-current assets				
Property, plant and equipment	10	25,120	17,204	11,064
Intangible assets	11	2,291	2,179	2,179
		27,411	19,383	13,243
Current assets				
Inventories	13	1,611	1,104	1,072
Trade and other receivables	14	16,696	17,136	11,186
Cash and cash equivalents		3,601	2,344	975
		21,908	20,584	13,233
Total assets		49,319	39,967	26,476
Liabilities				
Current liabilities				
Trade and other payables	15	14,314	16,239	12,870
Loans and borrowings	16	3,500	2,397	1,429
Corporation tax payable		1,224	811	245
		19,038	19,447	14,544
Non-current liabilities				
Loans and borrowings	16	8,442	5,890	3,708
Provisions	18	375	1,306	405
Deferred tax	19	712	596	340
Total liabilities		28,567	27,239	18,997
Net assets		20,752	12,728	7,479
Share capital	20	1,006	1,006	1,002
Retained earnings		19,728	11,704	6,459
Non-controlling interest		18	18	18
Total equity		20,752	12,728	7,479

The financial statements were approved and authorised for issue by the Board of Directors on 16 June 2016 and were signed on its behalf by:

J M Fenton
Director

The notes on pages 14 to 42 form part of these financial statements

Van Elle 03 Limited

Company statement of financial position
at 30 April 2016

	Note	2016 £'000	2015 £'000 As restated note 25	2014 £'000 As restated note 25
Assets				
Non-current assets				
Fixed asset investments	12	6,051	6,051	6,051
Total assets		6,051	6,051	6,051
Liabilities				
Current liabilities				
Trade and other payables	15	3,646	8,042	7,903
Total liabilities		3,646	8,042	7,903
Net assets		2,405	(1,991)	(1,852)
Share capital	20	1,006	1,006	1,002
Retained earnings		1,399	(2,997)	(2,854)
Total equity		2,405	(1,991)	(1,852)

The financial statements were approved and authorised for issue by the Board of Directors on 16 June 2016 and were signed on its behalf by:

J M Fenton
Director

The notes on pages 14 to 42 form part of these financial statements

Van Elle 03 Limited

Consolidated statement of cash flows
For the year ended 30 April 2016

	Note	2016 £'000	2015 £'000
Cash flows from operating activities			
Profit for the year		8,445	5,428
Adjustments for:			
Depreciation of property, plant and equipment		3,333	2,351
Finance income		(11)	-
Finance expense		344	335
Gain on sale of property, plant and equipment		(53)	(49)
Income tax expense		2,277	1,609
		14,335	9,674
Decrease/(increase) in trade and other receivables		440	(5,950)
Increase in inventories		(507)	(32)
(Decrease)/increase in trade and other payables		(1,920)	6,137
(Decrease)/increase in provisions		(931)	901
Interest paid on finance leases and loans		(344)	(335)
Interest received		11	-
Cash generated from operations		11,085	10,395
Income taxes paid		(1,748)	(787)
Net cash flows from operating activities		9,337	9,608
Investing activities			
Purchases of property, plant and equipment		(6,162)	(3,367)
Disposal of property, plant and equipment		97	73
Purchases of intangibles		(112)	-
Net cash used in investing activities		(6,177)	(3,294)
Financing activities			
Proceeds from bank borrowings		1,425	-
Repayment of bank borrowings		-	(8)
Repayment of confidential invoice discounting facility		(4)	(2,764)
Payments to finance lease creditors		(2,903)	(1,990)
Dividends paid to the holders of the parent		(421)	(183)
Net cash used in financing activities		(1,903)	(4,945)
Net increase in cash and cash equivalents		1,257	1,369
Cash and cash equivalents at beginning of year		2,344	975
Cash and cash equivalents at end of year	24	3,601	2,344

A company cash flow statement has not been prepared on the basis that the company has not had any cash flows during the current or prior years

The notes on pages 14 to 42 form part of these financial statements

Van Elle 03 Limited

Consolidated statement of changes in equity
For the year ended 30 April 2016

Year ended 30 April 2016	Share capital £'000	Retained earnings As restated £'000	Non-controlling interest £'000	Total equity As restated £'000
1 May 2015 as restated	**1,006**	**11,704**	**18**	**12,728**
Comprehensive income for the year				
Profit	-	8,445	-	8,445
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	8,445	-	8,445
Contributions by and distributions to owners				
Dividends	-	(421)	-	(421)
Total contributions by and distributions to owners	-	(421)	-	(421)
30 April 2016	**1,006**	**19,728**	**18**	**20,752**

Year ended 30 April 2015	Share capital £'000	Retained earnings As restated £'000	Non-controlling interest £'000	Total equity As restated £'000
1 May 2014	1,002	6,459	18	7,479
Comprehensive income for the year				
Profit	-	5,428	-	5,428
Total comprehensive income for the year	-	5,428	-	5,428
Contributions by and distributions to owners				
Dividends	-	(183)	-	(183)
Issue of shares during the year	4	-	-	4
Total contributions by and distributions to owners	4	(183)	-	(179)
30 April 2015 as restated	1,006	11,704	18	12,728

The following describes the nature and purpose of each reserve within equity.

Reserves	Description and purpose
Share capital	Amount subscribed for share capital at nominal value
Retained earnings	Cumulative net gains and losses and transactions with owners (e g dividends) not recognised elsewhere.
Non-controlling interest	This reserve represents minority shareholdings

The notes on pages 14 to 42 form part of these financial statements

Van Elle 03 Limited

Company statement of changes in equity
For the year ended 30 April 2016

Year ended 30 April 2016	Share capital £'000 £'000	Retained earnings £'000 As restated £'000	Total equity £'000 As restated £'000
1 May 2015	1,006	(2,997)	(1,991)
Comprehensive income for the year			
Profit	-	4,817	4,817
Total comprehensive income for the year	-	4,817	4,817
Contributions by and distributions to owners			
Dividends	-	(421)	(421)
Total contributions by and distributions to owners	-	(421)	(421)
30 April 2016	1,006	1,399	2,405

Year ended 30 April 2015	Share capital £'000 £'000	Retained earnings £'000 As restated £'000	Total equity £'000 As restated £'000
1 May 2014	1,002	(2,854)	(1,852)
Comprehensive income for the year			
Profit	-	40	40
Total comprehensive income for the year	-	40	40
Contributions by and distributions to owners			
Dividends	-	(183)	(183)
Issue of shares during the year	4	-	4
Total contributions by and distributions to owners	4	(183)	(179)
30 April 2015	1,006	(2,997)	(1,991)

The following describes the nature and purpose of each reserve within equity

Reserves	Description and purpose
Share capital	Amount subscribed for share capital at nominal value.
Retained earnings	Cumulative net gains and losses and transactions with owners (e g dividends) not recognised elsewhere

The notes on pages 14 to 42 form part of these financial statements

1 Accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below The policies have been consistently applied to all the years presented, unless otherwise stated

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs). The consolidated financial statements are presented in Sterling, which is also the Group's functional currency Amounts are rounded to the nearest thousand, unless otherwise stated.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

The consolidated financial statements have been prepared on a historical cost basis.

Changes in accounting policies

a) New standards, interpretations and amendments effective from 1 May 2015

The following new standards, interpretations and amendments were applicable.

Accounting for acquisitions of interest in joint operations Amendments to IFRS 11

Clarification of acceptable methods of depreciation and amortisation Amendments to IAS 16 and IAS 38

IAS 27 Separate Financial Statements

Investment entities –Applying the consolidation exception: Amendments to IFRS 10, IFRS 12 and IAS 28

Annual improvements to IFRS (2012 – 2104 Cycle)

Disclosure initiative Amendments to IAS 1

These standards did not have a material effect on the financial statements.

1 Accounting policies *(continued)*

Changes in accounting policies (continued)

b) New standards, interpretations and amendments not yet effective

The following new standards, interpretations and amendments, which are not yet effective and have not been adopted early in these financial statements may have an effect on the Group's future financial statements:

Standard/amendment	Effective dates (on or after)
IFRS 9 Financial Instruments	1 January 2018*
IFRS 15 Revenue from Contracts with Customers	1 January 2018*
IFRS 16 Leases	1 January 2019*
IFRS 15 Revenue from Contracts with Customers	1 January 2018*
Recognition of deferred tax assets for unrealised losses (Amendments to IAS 12)	1 January 2017*
Disclosure initiative Amendments to IAS 7	1 January 2017*
Clarification of IFRS 15 revenue from contracts with customers	1 January 2018*

* Not yet endorsed in the EU

Basis of consolidation

Where the company has control over an investee, it is classified as a subsidiary The company controls an investee if all three of the following elements are present power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity Intercompany transactions and balances between group companies are therefore eliminated in full

The consolidated financial statements incorporate the results of business combinations using the acquisition method In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Non-controlling interest

Any changes in ownership in minority interests is accounted for as an equity transaction

Investments

Fixed asset investments are included at cost or valuation less any permanent diminution in value

1 Accounting policies *(continued)*

Intangible assets

Intangible assets are depreciated over their useful economic life unless deemed to have an indefinite life, in which case they are subject to annual impairment review

Goodwill

Goodwill, which was acquired prior to 1 January 2010, represents the excess of the cost of a business combination over, the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income.

Impairment of non-financial assets (excluding inventories and deferred tax assets)

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable Where the carrying value of an asset exceeds its recoverable amount (i e the higher of value in use and fair value less costs to sell), the asset is written down accordingly

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows, its cash generating units ('CGUs') Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income An impairment loss recognised for goodwill is not reversed

Provisions

Provisions represent best estimates of expenditure required to settle a present obligation at the balance sheet date, after considering the risks and uncertainties that surround the underlying event.

Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired The Group has not classified any of its financial assets as held to maturity

The Group's accounting policy for each category is as follows

Fair value through profit or loss

The Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

1 Accounting policies *(continued)*

Financial assets (continued)

Loans and receivables

These arise principally through the provision of goods and services to customers (e.g trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the customer or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable and for trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision

The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position

Cash and cash equivalents includes cash in hand, deposits held at call with banks, and - for the purpose of the statement of cash flows - bank overdrafts Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

Financial liabilities

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired

The Group's accounting policy for each category is as follows·

Fair value through profit or loss

The Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include the following items

- Bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method

1 Accounting policies *(continued)*

Share capital

The Group's ordinary shares are classified as equity instruments

Defined contribution pension schemes

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

Leased assets

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognised as an asset is the lower of the fair value of the leased asset and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to the consolidated statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Group (an "operating lease"), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term on a straight-line basis

Dividends

Equity dividends are recognised when they become legally payable Interim equity dividends are recognised when paid Final equity dividends are recognised when approved by the shareholders at an annual-general meeting

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on·

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered)

1 Accounting policies *(continued)*

Property, plant and equipment

Items of property, plant and equipment are recognised at cost As well as the purchase price, cost includes directly attributable costs and the estimated present value of any residual value The corresponding liability is recognised within provisions

Freehold land is not depreciated Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives It is provided at the following rates:

Freehold buildings	-	10% per annum straight line
Plant and machinery	-	10%-20% per annum straight line
Office equipment	-	10%-25% per annum straight line
Motor vehicles	-	10%-25% per annum straight line

Inventories

Inventories are initially recognised at cost, and comprise raw materials and consumables held in storage or on project sites and work-in-progress

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Work-in-progress represents amounts recoverable on contracts that have not yet been charged to customers and included within revenue

Revenue

Turnover represents the total amounts receivable by the Group for goods supplied and services provided and work performed on contracts not yet invoiced, excluding value added tax and trade discounts The Group's turnover arises in the UK.

In the case of long term contracts, turnover reflects the contract activity during the year and represents the proportion of total contract value which costs incurred to date bear to total expected contract cost

2 Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below

Impairment of goodwill
The Group is required to test whether goodwill has suffered any impairment The directors consider that recent and expected profitability supports the recorded value of goodwill and that there is no impairment.

Impairment of other intangible assets and investments
Other intangible assets and investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable When a review for impairment is conducted the recoverable amount of the asset is based on the net present value of future cash flows expected to arise from the continuing operation of the entities using an appropriate discount rate

Useful lives of property, plant and equipment
Property, plant and equipment are depreciated over their estimated useful economic lives based on management's estimates of the period that the assets will generate revenue, which are periodically reviewed for appropriateness.

Contracts
The group recognises contracts on the timing of services rendered and has ensured appropriate cut-off procedures have been performed In addition the group has considered and made appropriate provision for loss making contracts

Bad debt provisions
The group has recognised impairment provisions in respect of bad and doubtful trade debtors The judgements and estimates necessary to calculate these provisions are based on historical experience and other reasonable factors.

Warranty and claims provisions
The group has recognised provisions in respect of possible warranties claims and claims for issues in delivery of services that are considered appropriate to the nature of the business and the history of claims received The group has insurance against delivery of service issues and only provides for any excess above the cover of insurance The judgements and estimates necessary to calculate these provisions are based on historical experience and other reasonable factors.

3 Segment Information

The Group has four main divisions

- *General Piling division* - This division is involved in open piling on brown and green field sites, particularly on new housing and new development sites The division installs pre-cast concrete piles (some of which are produced in-house), steel tube piles, rotary and bored piles. Certain contracts delivered by the division may use the techniques provided by one of the other operational divisions.

- *Specialist Piling division* - This division is involved in installing piles where access to the area is restricted (under structures or in buildings) or specialist techniques are required. The division has an array of piling rigs and accessories that provide a wide menu of specialist piling techniques Certain contracts delivered by the division may use the techniques provided by one of the other operational divisions.

- *Ground Engineering Services division* - This division is involved in providing site investigation, soil sampling drilling, grouting and soil nailing techniques to consolidate ground conditions, in particular where mining and existing underground works occur. Certain contracts delivered by the division may use the techniques provided by one of the other operational divisions

- *Ground Engineering Products division* – This division manufactures and installs modular pre-cast concrete beams, primarily to the new housing market and also manufactures pre-cast concrete piles of varying lengths for use by the General Piling division

The Group's reportable segments, as reported to the Chief Executive, are strategic business units that offer different techniques and services. They are managed separately because each business requires different technology and marketing strategies The segments are sub-divided into operational units based around the piling techniques that they deliver.

The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS but excluding non-recurring losses, such as goodwill impairment, and the effects of share-based payments.

Inter-segment sales are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of group resources at a rate acceptable to local tax authorities.

Loans and borrowings, insurances and head office central services' costs are allocated to the segments based on levels of turnover.

3 Segment information *(continued)*

2016	General Piling £'000	Specialist Piling £'000	Ground Engineering Services £'000	Ground Engineering Products £'000	Head Office £'000	Total £'000
Revenue						
Total revenue	42,707	25,840	10,151	8,358	37	87,093
Inter-segmental revenue	(596)	-	-	(2,261)	(37)	(2,894)
Total revenue from external customers	42,111	25,840	10,151	6,097	-	84,199
Group's revenue per consolidated statement of comprehensive income	42,111	25,840	10,151	6,097	-	84,199
Depreciation	1,421	1,316	435	161	-	3,333
Segment profit	4,735	5,879	456	(15)	-	11,055
Finance expense						(344)
Finance income						11
Group profit before tax						10,722

3 Segment information *(continued)*

2015	General Piling £'000	Specialist Piling £'000	Ground Engineering Services £'000	Ground Engineering Products £'000	Head Office £'000	Total £'000
Revenue						
Total revenue	39,054	21,322	7,879	7,740	90	76,085
Inter-segmental revenue	(788)			(1,621)	(90)	(2,499)
Total revenue from external customers	38,266	21,322	7,879	6,119	-	73,586
Group's revenue per consolidated statement of comprehensive income	39,054	21,322	7,879	5,331	-	73,586
Depreciation	1,113	805	324	109	-	2,351
Segment profit	1,796	5,099	383	94	-	7,372
Finance expense						(335)
Group profit before tax						7,037

3 Segment information *(continued)*

2016	General Piling £'000	Specialist Piling £'000	Ground Engineering Services £'000	Ground Engineering Products £'000	Head Office £'000	Total £'000
Additions to non-current assets	2,534	4,280	359	390	3,843	11,406
Property, plant & equipment	7,949	8,372	1,444	907	6,448	25,120
Intangible assets	-	-	-	-	2,291	2,291
Inventories	338	217	82	974	-	1,611
Trade and other receivables	-	-	-	-	16,696	16,696
Cash and cash equivalents	-	-	-	-	3,601	3,601
Total assets	8,287	8,589	1,526	1,881	29,036	49,319
Loans and borrowings	-	-	-	-	11,942	11,942
Trade and other payables	-	-	-	-	15,538	15,538
Provisions and deferred tax	-	-	-	-	1,087	1,087
Total liabilities	-	-	-	-	28,567	28,567

3 Segment information *(continued)*

2015	General Piling £'000	Specialist Piling £'000	Ground Engineering Services £'000	Ground Engineering Products £'000	Head Office £'000	Total £'000
Additions to non-current assets	3,011	3,229	777	552	946	8,515
Property, plant & equipment	6,587	5,341	1,489	652	3,135	17,204
Intangible assets	-	-	-	-	2,179	2,179
Inventories	234	290	128	452	-	1,104
Trade and other receivables	-	-	-	-	17,136	17,136
Cash and cash equivalents	-	-	-	-	2,344	2,344
Total assets	6,821	5,631	1,617	1,104	24,794	39,967
Loans and borrowings	-	-	-	-	8,287	8,287
Trade and other payables	-	-	-	-	17,050	17,050
Provisions and deferred tax	-	-	-	-	1,902	1,902
Total liabilities	-	-	-	-	27,239	27,239

	External revenue by location of customers		Non-current assets by location of assets	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
United Kingdom	**84,199**	73,586	**27,411**	19,383
	84,199	73,586	**27,411**	19,383

Revenues from one customer total £5,411k (2015 - £6,029k) This major customer purchases services from the Specialist Piling segment

4 Expenses by nature

	2016 £'000	2015 £'000
Depreciation of property, plant and equipment	3,333	2,351
Operating lease expense		
- Plant and machinery on short term hire	3,871	3,480
- Other	159	235
Profit on disposal of property, plant and equipment	(53)	(49)
Fees payable to the company's auditor or an associate of the company's auditor for the auditing of the company's annual accounts	31	27
Fees payable to the company's auditor or an associate of the company's auditor for taxation compliance services	4	4
Fees payable to the company's auditor or an associate of the company's auditor for other non-audit services	52	28
Costs of services based claims made against the Group	950	-
Insurance proceeds received in respect of services based claims made against the Group	(900)	-

5 Employee benefit expenses

	Group 2016 £'000	Group 2015 £'000
Employee benefit expenses (including directors) comprise		
Wages and salaries	21,236	17,805
Defined contribution pension cost	2,517	1,952
Social security contributions and similar taxes	257	183
	24,010	19,940

The average number of employees (including directors) during the year was as follows.

	Group 2016 Number	Group 2015 Number
Weekly paid staff	317	262
Salaried staff	148	122
	465	384

5 Employee benefit expenses *(continued)*

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors of the company, the Director of Finance and Operating Unit Divisional Directors

	2016 £'000	2015 £'000
Salary	1,545	2,119
Pension costs	12	10
Amounts paid to third parties in respect of directors' services	-	449
	1,557	2,578

Directors' remuneration

	2016 £'000	2015 £'000
Directors' emoluments	722	1,407
Company contributions to defined contribution pension schemes	-	-
Amounts paid to third parties in respect of directors' services	-	449

The total amount payable to the highest paid director in respect of emoluments was £187k (2015 £615k, 2014 £335k) Company pension contributions of £Nil (2015· £Nil) were made to defined contribution schemes on their behalf.

The payments noted above include payments of £nil (2014 £449k) in respect of certain services provided by the directors All tax related matters in respect of these payments have been agreed with HMRC and settled in full

6 Finance income and expense

Finance income	2016 £'000	2015 £'000
Interest received on bank deposits	11	-
Total finance income	11	-

Finance expense	2016 £'000	2015 £'000
Finance leases	(323)	(335)
Loan interest	(21)	-
	(344)	(335)

7 Tax expense

	2016 £'000	2015 £'000
Current tax expense		
Current tax on profits for the year	2,071	1,319
Adjustment for under provision in prior periods	90	34
Total current tax	2,161	1,353
Deferred tax expense		
Origination and reversal of temporary differences	105	205
Recognition of previously unrecognised deferred tax assets	11	51
Total deferred tax	116	256
Total tax expense	2,277	1,609

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows·

	2016 £'000	2015 £'000
Profit before income taxes	10,722	7,037
Tax using the standard corporation tax rate of 20% (2015 - 20 92%)	2,144	1,472
Adjustment for under/(over) provision in previous periods	101	85
Expenses not deductible for tax purposes	55	13
Short term timing differences/Other	(23)	39
Total tax expense	2,277	1,609

Changes in tax rates and factors affecting the future tax charge

As announced during the July 2015 budget the main rate of corporation tax will reduce to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020 These tax rate reductions have been reflected in the financial statements as necessary in respect of the provision for deferred tax

8 Dividends

	2016 £'000	2015 £'000
Final dividend paid		
A & B Shares – nil (2015. nil)	-	-
C Shares – nil (2015 nil)	-	-
D Shares – nil (2015 4 nil)	-	-
Interim dividend paid·		
A & B Shares - 16 pence per share (2015 8 pence per share)	(312)	(159)
C Shares - 15 pence per share (2015. 3 pence per share)	(33)	(7)
D Shares - 17 pence per share (2015 4 pence per share)	(76)	(17)
	(421)	(183)

9 Profit for the financial year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements The group result for the year includes a profit before tax of £4,817k (2015 £40k) which is dealt with in the financial statements of the parent company

10 Property, plant and equipment

Group

	Land and buildings £'000	Plant and machinery £'000	Motor vehicles £'000	Office equipment £'000	Total £'000
Cost					
At 1 May 2014	1,403	17,524	4,393	966	24,286
Additions	520	5,866	2,125	4	8,515
Disposals	-	(231)	(52)	-	(283)
At 30 April 2015	1,923	23,159	6,466	970	32,518
At 1 May 2015	1,923	23,159	6,466	970	32,518
Additions	2,929	6,539	1,668	157	11,293
Disposals	-		(75)	-	(75)
At 30 April 2016	**4,852**	**29,698**	**8,059**	**1,127**	**43,736**
Accumulated depreciation					
At 1 May 2014	20	9,525	2,936	741	13,222
Depreciation	95	1,746	477	33	2,351
Disposals	-	(227)	(32)	-	(259)
At 30 April 2015	115	11,044	3,381	774	15,314
At 1 May 2015	115	11,044	3,381	774	15,314
Depreciation	107	2,430	743	53	3,333
Disposals	-	-	(31)	-	(31)
At 30 April 2016	**222**	**13,474**	**4,093**	**827**	**18,616**
Net book value					
At 1 May 2014	1,383	7,999	1,457	225	11,064
At 1 May 2015	1,808	12,115	3,085	196	17,204
At 30 April 2016	**4,630**	**16,224**	**3,966**	**300**	**25,120**

10 Property, plant and equipment *(continued)*

Included within property, plant and equipment are the following amounts held under finance leases

	Motor vehicles			Plant and equipment		
	2016	2015	2014	2016	2015	2014
	£'000	£'000	£'000	£'000	£'000	£'000
Net book value	**1,931**	890	1,242	**12,533**	9,364	5,468
Depreciation charged in the year	**(651)**	(210)	(266)	**(2,779)**	(929)	(520)

11 Intangible assets

Group

	Software	Goodwill on consolidation	Total
	£'000	£'000	£'000
Cost			
At 1 May 2014 and 1 May 2015	-	2,179	2,179
Additions	112	-	112
At 30 April 2016	**112**	**2,179**	**2,291**

12 Fixed asset investments

Company

	Group undertakings £'000
Cost	6,051
At 1 May 2014, 1 May 2015 and 30 April 2016	6,051

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings in which the company's interest at the year end is 20% or more are as follows·

Subsidiary undertakings	Class of share capital held	Proportion of share capital held	Nature of business
Van Elle Limited	Ordinary	100%	Open site piling, ground stabilisation, restricted access micro piling, site investigation, and subsidence repair in the constructive/civil engineering sector
Subsidiary undertakings of Van Elle Limited			
A&G (Steavenson) Limited *	Ordinary	75%	Dormant
Dram Investments Limited *	Ordinary	100%	Dormant
Van Elle 15 Limited (formerly Van Elle (Hoopsafe) Limited) *	Ordinary	100%	Dormant

* Denotes subsidiaries exempt from preparing individual accounts by virtue of s394A of the Companies Act 2006

13 Inventories

	Group 2016 £'000	Group 2015 £'000	Group 2014 £'000	Company 2016 £'000	Company 2015 £'000	Company 2014 £'000
Raw materials and consumables	994	672	709	-	-	-
Work-in-progress	617	432	363	-	-	-
	1,611	1,104	1,072	-	-	-

Work-in-progress represents amounts recoverable on contracts that have not yet been charged to customers within revenue.

There were no impairment losses relating to damaged or obsolete inventories in the current or previous periods The cost of inventories expensed during the period was £2,323k (2015· £2,407k) (2014 £1,421k).

14 Trade and other receivables

	Group 2016 £'000	Group 2015 £'000	Group 2014 £'000	Company 2016 £'000	Company 2015 £'000	Company 2014 £'000
Trade receivables	**15,127**	15,551	9,656	-	-	-
Less provision for impairment of trade receivables	**(25)**	(94)	(50)	-	-	-
Trade receivables - net	**15,102**	15,457	9,606	-	-	-
Receivables from related parties	**213**	299	477	-	-	-
Prepayments	**1,329**	693	927	-	-	-
Other receivables	**52**	687	176	-	-	-
Total trade and other receivables	**16,696**	17,136	11,186	-	-	-

The carrying value of trade and other receivables classified as loans and receivables approximates fair value

All amounts shown under receivables fall due within one year and trade receivables include amounts recoverable on contracts that have been charged to customers and recorded within revenue

As at 30 April 2016 trade receivables of £6,264k (2015 - £7,698k, 2014 - £5,049k) were past due but not impaired. They relate to the customers with no default history The ageing analysis of these receivables is as follows

	Group 2016 £'000	Group 2015 £'000	Group 2014 £'000	Company 2016 £'000	Company 2015 £'000	Company 2014 £'000
Up to 3 months	**5,973**	7,123	4,854	-	-	-
3 to 6 months	**140**	550	110	-	-	-
6 to 12 months	**151**	25	85	-	-	-
	6,264	7,698	5,049	-	-	-

14 Trade and other receivables *(continued)*

Movements in the impairment allowance for trade receivables are as follows:

	Group 2016 £'000	Group 2015 £'000	Group 2014 £'000	Company 2016 £'000	Company 2015 £'000	Company 2014 £'000
At 1 May	94	50	55	-	-	-
Increase during the year	(24)	56	18	-	-	-
Receivable written off during the year as uncollectible	(45)	(12)	(23)	-	-	-
At 30 April	25	94	50	-	-	-

The movement in the impairment allowance for trade receivables has been included in the administrative expenses line in the consolidated statement of comprehensive income

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

15 Trade and other payables

	Group 2016 £'000	Group 2015 £'000	Group 2014 £'000	Company 2016 £'000	Company 2015 £'000	Company 2014 £'000
Trade payables	12,622	11,916	8,118	-	-	-
Other payables	860	2,479	3,911	31	215	2,930
Accruals	449	930	446	-	-	-
Amounts owed to group undertakings	-	-	-	3,615	7,827	4,973
Other tax and social security payments	383	914	395	-	-	-
Total Trade and other payables	14,314	16,239	12,870	3,646	8,042	7,903

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value

The other payables in 2014 include £8k in respect of a confidential invoice discounting facility

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value

Amounts totalling £nil (2015 - £4k) within other payables relate to funding arrangements and are secured by a charge over debtors of the Group

Although repayable on demand the amounts owed to group undertakings are not expected to be substantially repaid within 12 months of the date of approval of these financial statements

16 Loans and borrowings

Group

The book value and fair value of loans and borrowings are as follows:

	Book value 2016 £'000	Fair value 2016 £'000	Book value 2015 £'000	Fair value 2015 £'000	Book value 2014 £'000	Fair Value 2014 £'000
Non-Current						
Secured loans	1,275	1,275	-	-	-	-
Finance leases	7,167	7,167	5,890	5,890	3,708	3,708
	8,442	8,442	5,890	5,890	3,708	3,708
Current						
Secured loans	150	150	-	-	8	8
Finance leases	3,350	3,350	2,397	2,397	1,421	1,421
	3,500	3,500	2,397	2,397	1,429	1,429
Total loans and borrowings	11,942	11,942	8,287	8,287	5,137	5,137

Maturity of debt:

	Secured loans 2016 £'000	Secured loans 2015 £'000	Secured loans 2014 £'000
Due within one year	150	-	8
Due 2 to 5 years	600	-	-
Due more than 5 years	675	-	-
	1,425	-	8

17 Leases

Group

Finance leases - lessee

Future lease payments are due as follows·

2016	**Minimum lease payments £'000**	**Interest £'000**	**Present Value £'000**
Not later than one year	3,710	360	3,350
Between one year and five years	7,938	771	7,167
	11,648	1,131	10,517
Current liabilities	3,710	360	3,350
Non-current liabilities	7,938	771	7,167
2015			
Not later than one year	2,663	266	2,397
Between one year and five years	6,544	654	5,890
	9,207	920	8,287
Current liabilities	2,663	266	2,397
Non-current liabilities	6,544	654	5,890
2014			
Not later than one year	1,572	151	1,421
Between one year and five years	4,101	393	3,708
	5,673	544	5,129
Current liabilities	1,572	151	1,421
Non-current liabilities	4,101	393	3,708

17 Leases *(continued)*

Operating leases - lessee

The total future value of minimum lease payments is due as follows:

	2016 £'000	2015 £'000	2014 £'000
Due within one year	163	37	232
Due 2 to 5 years	571	28	-
Due more than 5 years	2,034	-	-
	2,768	65	232

18 Provisions

	Warranty provision £'000	Insurance provision £'000	Total £'000
At 1 May 2014	335	70	405
Charged to profit or loss	856	265	1,121
Utilised in year	(150)	(70)	(220)
At 30 April 2015	**1,041**	**265**	**1,306**
At 1 May 2015	1,041	265	1,306
Utilised in year	(369)	(60)	(429)
Additional provision	32	-	33
Released in year	(534)	-	(534)
At 30 April 2016	**170**	**205**	**375**
Due within one year or less	-	-	-
Due after more than one year	170	205	375
	170	**205**	**375**

Warranty Provision relates to workmanship claims and is based on potential costs to make good defects and associated legal and professional fees in contesting the claims, net of amounts covered by insurance

Insurance Provision comprises insurance policy excesses associated with insurance claims

19 Deferred tax

Group

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 18% (2015 - 20%) (2014 - 20%) being the rates at which deferred tax is expected to reverse in the future.

The movement on the deferred tax account is as shown below

	2016 £'000	2015 £'000 As restated	2014 £'000 As restated
At 1 May	596	340	142
Recognised in profit and loss	-	-	-
Tax expense	116	256	198
At 30 April	712	596	340

All the above relates to accelerated capital allowances

20 Share capital

	Issued and fully paid					
	2016 Number	2016 £'000	2015 Number	2015 £'000	2014 Number	2014 £'000
'A' Ordinary shares of 50p each	800,000	400	800,000	400	800,000	400
'B' Ordinary shares of 50p each	1,200,000	600	1,200,000	600	1,200,000	600
'C' Ordinary shares of 1p each	222,222	2	222,222	2	222,222	2
'D' Ordinary shares of 1p each	444,444	4	444,444	4	-	-
	2,666,666	1,006	2,666,666	1,006	2,222,222	1,002

Both 'A' and 'B' class shares have equal voting rights, and equal rights to income from dividends, subject to clauses in respect of swamping rights and pre-emption rights which are contained within the Articles of Association In addition to these rights the holders of the 'C' class shares are entitled to a sum equal to 10% of the amount in excess of £10,000k on a sale or liquidation. The rights of the 'D' class shares are similar to the 'C' class shares in that they are entitled to participate in proceeds on a sale of the company where the consideration is greater than £12,500k

21 Related party transactions

Details of directors' remuneration and key management personnel remuneration are given in note 5

Related party relationship	Type of transaction	Transaction amount 2016 £'000	2015 £'000	2014 £'000
Directors	Directors' loans	120	299	477
Companies in which directors or their immediate family have a significant/ controlling interest	Rent paid	66	165	165
	Purchase of property	1,350	350	-

Related party relationship	Type of transaction	Balance owed 2016 £'000	2015 £'000	2014 £'000
Directors	Directors' loans	213	299	477
Companies in which directors or their immediate family have a significant/ controlling interest	Rent paid	-	-	-
	Purchase of property	-	-	-

The Group has not made any allowance for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during 2016, 2015 or 2014 regarding related party transactions

22 Capital commitments

	2016 £'000	2015 £'000	2014 £'000
Contracted but not provided for	1,490	70	-

23 Financial Instruments

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function The Board receives monthly reports from the Director of Finance through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets The Group's Compliance and Health & Safety Departments also review the risk management policies and processes and report their findings to the Board

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations It is Group policy, to assess the credit risk of all existing and new customers on a contract by contract basis before entering contracts

The Board has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered The Group's review includes external ratings, when available, and in some cases bank references. Total contract limits are established for each customer, which represents the maximum exposure permissible without requiring approval from the Board

Fair value and cash flow interest rate risk

It is currently group policy that 100% of external group borrowings (excluding short-term overdraft facilities and finance lease payables) are fixed rate borrowings. Divisions are not permitted to borrow short or long-term from external sources

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due and the management of working capital, debt and cash balances

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on its long-term borrowings, this is further discussed in the 'Interest rate risk' section above

The Board receives rolling 3-month cash flow projections on a weekly basis. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down on its agreed £2,500k overdraft facility.

Van Elle 03 Limited

Notes forming part of the financial statements for the year ended 30 April 2016 *(continued)*

23 Financial Instruments *(continued)*

Financial instruments by category

Financial assets	**Group Loans and receivables**			**Company Loans and receivables**		
	2016 £'000	**2015 £'000**	**2014 £'000**	**2016 £'000**	**2015 £'000**	**2014 £'000**
Cash and cash equivalents	**3,601**	2,344	975	-	-	-
Trade and other receivables	**16,696**	17,136	11,186	-	-	-
Less. Prepayments	**(1,329)**	(693)	(927)	-	-	-
Total current financial assets	**18,968**	18,787	11,234	-	-	-

Financial liabilities	**Group Loans and receivables**			**Company Loans and receivables**		
	2016 £'000	**2015 £'000**	**2014 £'000**	**2016 £'000**	**2015 £'000**	**2014 £'000**
Trade and other payables	14,314	16,239	12,870	3,646	8,042	7,903
Less Tax and social security creditors	(383)	(914)	(395)	-	-	-
Secured loans	150	-	8	-	-	8
Total current financial liabilities	14,081	15,325	12,483	3,646	8,042	7,911

Financial liabilities	**Group Loans and receivables**			**Company Loans and receivables**		
	2016 £'000	**2015 £'000**	**2014 £'000**	**2016 £'000**	**2015 £'000**	**2014 £'000**
Trade and other payables	-	-	-	-	-	-
Less Tax and social security creditors	-	-	-	-	-	-
Secured loans	1,275	-	-	-	-	-
Total non-current financial liabilities	1,275	-	-	-	-	-

Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value

24 Notes supporting statement of cash flows

Cash and cash equivalents for purposes of the statement of cash flows comprises

	2016 £'000	2015 £'000
Cash at bank available on demand	**3,550**	2,305
Cash on hand	**51**	39
	3,601	2,344
Significant non-cash transactions		
Purchase of fixed assets on hire purchase	**5,132**	5,148

25 First time adoption of IFRSs

Group	Note	Equity as at 1 May 2014 £'000	Year ended 30 April 2015 £'000	Equity as at 30 April 2015 £'000
As previously stated under former UK GAAP		**7,263**	**5,212**	**12,296**
Transitional adjustments				
Reversal of Goodwill Amortisation 2014	a	216	-	216
Reversal of Goodwill Amortisation 2015	b	-	216	216
As stated in accordance with IFRSs		**7,479**	**5,428**	**12,728**

Explanation of changes to previously reported profit and equity

a) Reversal of Goodwill Amortisation 2014 charged to profit and loss account not required as Goodwill not impaired so Equity balance increased and restated

b) Reversal of Goodwill Amortisation 2015 charged to profit and loss account but not required as Goodwill not impaired – Equity balance increased and restated

Company

The company has adopted IFRSs for the first time for the year ended 30 April 2016 The adoption of IFRSs has not resulted in any changes to the results for the comparative years ended 30 April 2015 or 30 April 2014 or the financial position at 1 May 2015, 1 May 2014 or 1 May 2013