

Billington Holdings Plc

Interim Report and Accounts 2016

Billington Holdings Plc**Directors**

P. K. Hems - Non Executive Chairman
S. G. T. Fareham - Non Executive Director
J. S. Gordon - Non Executive Director
Dr. A. W. Ospelt - Non Executive Director
M. Smith - Chief Executive
T. M. Taylor - Finance Director

Company Secretary

L. S. Holloway

Registered Office

Billington Holdings Plc,
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Barnsley Road,
Wombwell,
Barnsley, S73 8DS

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Registrar and Main Transfer Office

Capita Registrars,
Northern House,
Woodsome Park, Fenay Bridge,
Huddersfield, HD8 0GA

Nominated Advisor and Broker

WH Ireland Limited,
Royal House, 28 Sovereign Street
Leeds, LS1 4BJ

Auditors

Grant Thornton UK LLP,
Statutory Auditor,
Chartered Accountants,
2 Broadfield Court,
Sheffield, S8 0XF

Bankers

HSBC Bank plc,
4th Floor, City Point,
29 King Street,
Leeds, LS1 2HL

Solicitors

Shoosmiths,
Waterfront House, Waterfront Plaza,
35 Station Street,
Nottingham, NG2 3DQ

Interim results and the accompanying announcement to the London Stock Exchange will be available from the Company's website (www.billington-holdings.plc.uk). Dealings permitted on Alternative Investment Market (AIM) of the London Stock Exchange.

Registered in England and Wales, Company No. 02402219.

Condensed consolidated interim income statement

Six months ended 30th June 2016

	Unaudited Six months to 30th June 2016	Unaudited Six months to 30th June 2015	Audited Twelve months to 31st December 2015
	£000	£000	£000
Continuing operations			
Revenue, excluding movements in work in progress	30,008	24,650	54,762
(Decrease)/increase in work in progress	(2,962)	(101)	1,986
Revenue	<u>27,046</u>	<u>24,549</u>	<u>56,748</u>
Raw material and consumables	15,957	14,848	36,172
Other external charges	1,926	1,679	3,537
Staff costs	6,083	5,243	11,099
Depreciation	592	450	1,097
Other operating charges	719	630	1,759
	<u>25,277</u>	<u>22,850</u>	<u>53,664</u>
Group operating profit	1,769	1,699	3,084
Share of post tax profit in joint ventures	-	-	-
Total operating profit	1,769	1,699	3,084
Net finance (expense)/income	(31)	(4)	26
Profit before tax	1,738	1,695	3,110
Tax	(378)	(373)	(666)
Profit for the period from continuing operations and attributable to equity holders of the parent company	<u>1,360</u>	<u>1,322</u>	<u>2,444</u>
Earnings per share (basic and diluted) from continuing operations	<u>11.7 p</u>	<u>11.4 p</u>	<u>21.1 p</u>
Dividends per share	<u>6.00 p</u>	<u>3.00 p</u>	<u>3.00 p</u>

Earnings per ordinary share has been calculated on the basis of the result for the period after tax, divided by the weighted average number of ordinary shares in issue in the period, excluding those held in the ESOP Trust, of 11,603,836. The comparatives are calculated by reference to the weighted average number of ordinary shares in issue which were 11,579,708 for the period to 30 June 2015 and 11,585,041 for the year ended 31 December 2015.

Condensed consolidated interim statement of comprehensive income

Six months ended 30th June 2016

	Unaudited Six months to 30th June 2016 £000	Unaudited Six months to 30th June 2015 £000	Audited Twelve months to 31st December 2015 £000
Profit for the period	1,360	1,322	2,444
Other comprehensive income			
Remeasurement of net defined benefit surplus	-	-	(66)
Movement on deferred tax relating to pension liability	-	-	(5)
Current tax relating to pension liability	-	-	32
Other comprehensive income, net of tax	-	-	(39)
Total comprehensive income for the period attributable to equity holders of the parent company	1,360	1,322	2,405

Condensed consolidated interim balance sheet

As at 30th June 2016

	Unaudited 30th June 2016 £000	Unaudited 30th June 2015 £000	Audited 31st December 2015 £000
Assets			
Non current assets			
Property, plant and equipment	13,089	8,226	13,160
Pension assets	968	878	968
Investment in joint ventures	-	-	-
Deferred tax asset	38	272	38
Total non current assets	14,095	9,376	14,166
Current assets			
Inventories and work in progress	7,663	8,364	10,568
Trade and other receivables	6,747	4,225	5,315
Cash and cash equivalents	6,242	6,355	2,611
Total current assets	20,652	18,944	18,494
Total assets	34,747	28,320	32,660
Liabilities			
Current liabilities			
Current portion of long term borrowings	267	45	301
Trade and other payables	14,774	11,919	13,344
Dividends payable	-	388	-
Current tax payable	379	473	155
Total current liabilities	15,420	12,825	13,800
Non current liabilities			
Long term borrowings	2,375	257	2,492
Total non current liabilities	2,375	257	2,492
Total liabilities	17,795	13,082	16,292
Net assets	16,952	15,238	16,368
Equity			
Share capital	1,293	1,293	1,293
Share premium	1,864	1,864	1,864
Capital redemption reserve	132	132	132
Other reserve	(904)	(910)	(904)
Accumulated profits	14,567	12,859	13,983
Total equity	16,952	15,238	16,368

Condensed consolidated interim statement of changes in equity

(Unaudited)

	Share capital £000	Share premium account £000	Capital redemption reserve £000	Other reserve - ESOP £000	Accumulated profits £000	Total equity £000
At 1st January 2015	1,293	1,864	132	(910)	11,925	14,304
Equity dividends declared	-	-	-	-	(388)	(388)
Transactions with owners	-	-	-	-	(388)	(388)
Profit for the six months to 30th June 2015	-	-	-	-	1,322	1,322
Total comprehensive income for the period	-	-	-	-	1,322	1,322
At 30th June 2015	1,293	1,864	132	(910)	12,859	15,238
At 1st July 2015	1,293	1,864	132	(910)	12,859	15,238
Equity dividends paid to ESOP	-	-	-	-	41	41
Transactions with owners	-	-	-	-	41	41
ESOP movement in period	-	-	-	6	-	6
Transactions with owners	-	-	-	6	41	47
Profit for the six months to 31st December 2015	-	-	-	-	1,122	1,122
Other comprehensive income	-	-	-	-	-	-
Actuarial gain recognised in the pension scheme	-	-	-	-	(66)	(66)
Income tax relating to components of other comprehensive income	-	-	-	-	27	27
Total comprehensive income for the period	-	-	-	-	1,083	1,083
At 31st December 2015	1,293	1,864	132	(904)	13,983	16,368
At 1st January 2016	1,293	1,864	132	(904)	13,983	16,368
Equity dividends declared	-	-	-	-	(776)	(776)
Transactions with owners	-	-	-	-	(776)	(776)
Profit for the six months to 30th June 2016	-	-	-	-	1,360	1,360
Total comprehensive income for the period	-	-	-	-	1,360	1,360
At 30th June 2016	1,293	1,864	132	(904)	14,567	16,952

Condensed consolidated interim cash flow statement

Six months ended 30th June 2016

	Unaudited Six months to 30th June 2016 £000	Unaudited Six months to 30th June 2015 £000	Audited Twelve months to 31st December 2015 £000
Cash flows from operating activities			
Group profit after tax	1,360	1,322	2,444
Taxation paid	(156)	-	(350)
Depreciation on property, plant and equipment	592	450	1,097
Difference between pension charge and cash contributions	(61)	(61)	(123)
Profit on sale of property, plant and equipment	(117)	(56)	(197)
Taxation charge recognised in income statement	378	373	666
Net finance expense/(income)	31	4	(26)
Decrease/(increase) in inventories and work in progress	2,905	108	(2,096)
Decrease/(increase) in trade and other receivables	(1,371)	916	(235)
(Decrease)/increase in trade and other payables	1,430	(88)	1,336
Net cash flow from operating activities	4,991	2,968	2,516
Cash flows from investing activities			
Purchase of property, plant and equipment	(535)	(521)	(6,111)
Proceeds from sale of property, plant and equipment	133	62	212
Net cash flow from investing activities	(402)	(459)	(5,899)
Cash flows from financing activities			
Interest paid	(31)	(4)	(7)
Proceeds of bank and other loans	-	-	2,514
Repayment of bank and other loans	(151)	(22)	(45)
Equity dividends paid	(776)	-	(347)
Employee Share Ownership Plan share purchases	-	-	(3)
Employee Share Ownership Plan share sales	-	-	10
Net cash flow from financing activities	(958)	(26)	2,122
Net increase in cash and cash equivalents	3,631	2,483	(1,261)
Cash and cash equivalents at beginning of period	2,611	3,872	3,872
Cash and cash equivalents at end of period	6,242	6,355	2,611

Notes to the interim accounts - as at 30th June 2016

Segmental Reporting

The Group trading operations of Billington Holdings plc are only in Structural Steel, and all are continuing. This includes the activities of Billington Structures Limited, easi-edge Limited and Peter Marshall Steel Stairs Limited. The Group activities, comprising services and assets provided to Group companies and a small element of external property rentals and management charges, are considered incidental to the activities of Billington Structures Limited and have therefore not been shown as a separate operating segment but have been subsumed within Structural Steel. All assets of the Group reside in the UK.

Basis of preparation

These consolidated interim financial statements are for the six months ended 30 June 2016. They have been prepared with regard to the requirements of IFRS. The financial information set out in these consolidated interim financial statements does not constitute statutory accounts as defined in S434 of the Companies Act 2006. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2015 which contained an unqualified audit report and have been filed with the Registrar of Companies. They did not contain statements under S498 of the Companies Act 2006.

These consolidated interim financial statements have been prepared under the historical cost convention. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these consolidated interim financial statements.

Dividends

In the first half of 2016 Billington Holdings Plc declared a final dividend of 6.0 pence per share amounting to £776,000 (2015: 3.0 pence, £388,000) to its equity shareholders. No interim dividend for 2016 has been declared (2015: nil).

These results were approved by the Board of Directors on 19 September 2016.