Billington Holdings Plc

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('Billington', 'the Group' or 'the Company')

Full Year Results

Billington Holdings plc (AIM: BILN), one of the UK's leading structural steel and construction safety solutions specialists, today announces its full year results for the year ended 31 December 2015.

	31 December 2015	31 December 2014	Percentage change
Revenue	**£56.7m**	£45.1m	25.7%
EBITDA	**£4.2m**	£2.7m	55.6%
Profit before tax	**£3.1m**	£1.9m	63.2%
Cash and cash equivalents	**£2.6m**	£3.9m	(33.3%)
Earnings per share from continuing operations	**21.1p**	12.5p	68.8%
Dividend	**6.0p**	3.0p	100.0%

Highlights

- Strong and progressive set of results
- Dividend of 6.0 pence per share
- Output of some 25,000 tonnes of fabricated material
- The Group has acquired land, buildings and associated plant assets of a 25 acre site in Shafton for £4.9 million which is set to diversify product offerings and services as well as generate further revenue and profit opportunities
- Secured long term deals with major contractors
- Strengthened divisional management and sales teams have contributed to improved performance

Mark Smith, Chief Executive Officer, said,

"*2015 was a significant year for the Company and I am pleased to deliver the strongest full year results in five years.*

"Billington's expansion strategy has progressed significantly following the purchase of the Shafton site which increased the capacity of the Company's structural steel work activities and, in the future, will provide increased opportunities for development.

"Although the industry continues to recover, the market remains competitive and the proposed dividend of 6 pence is a result of Billington's ability to deliver quality results to both clients and shareholders.

"After a slow start to 2016 as a result of a number of significant contracts being delayed the remainder of the year looks set to be busy for all divisions, providing management confidence for the full year.

"The Company is well placed to continue to deliver positive results and I look forward to updating the market in due course."

For further information please contact:

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Chairman's Statement

Introduction

I am pleased to report that the full year results for Billington for 2015 once again build on the success of the previous year. The Group performed well throughout 2015 and achieved its strongest results for five years.

Billington's structural steel business was very busy throughout the year and carried out a number of large, high profile projects. This resulted in an output of some 25,000 tonnes of fabricated material, which is close to the capacity of the existing facilities. There was also an improvement in margin, which together with the efficiencies from high activity levels, has contributed to a strong financial performance.

The easi-edge safety barrier division has seen a steady level of demand throughout the year. The management team was strengthened part way through the year, which has seen positive changes introduced to the sales management process and also to the working practices for barrier refurbishment, all of which have contributed to an improved performance.

The hoard-it division, which produces a range of sustainable hoardings, has continued its market development and is now established within the industry as a supplier of premium products. A good level of enquiries continues to be achieved and converted and the sales team has now managed to secure term deals with major contractors. Moving forward, the division plans to secure further such arrangements which will help to underpin repeat business going forward.

The Peter Marshall Steel Stairs subsidiary has continued to make good progress and achieved a contribution for the year broadly in line with budget. There have been a number of major projects undertaken during the year and the company starts 2016 with a substantial workload.

Results

The profit after tax for the year from continuing operations was £2.4 million on revenue of £56.7 million, compared with a profit of £1.4 million on revenue of £45.1 million in the previous year.

The overall earnings per share for the year amounted to 21.1p compared with 12.5p in 2014.

Dividend

I am pleased to announce that the Board is proposing a dividend of 6.0 p per share. The dividend has been set at a level which recognises both the need to reward the shareholders for their continued support as well as the anticipated funding requirements in relation to the development of the Shafton facility and further expenditure on upgrading plant and equipment at the existing sites.

Liquidity and capital resources

There has been a net cash outflow of £1.3 million during the year which breaks down broadly into cash generated by operating activities of £2.5 million and capital expenditure of £6.1 million, which was part funded by a bank loan of £2.5 million. The capital expenditure includes £4.9 million in relation to the acquisition of the Shafton site leaving a balance of £1.2 million to cover other items, being similar to the level of expenditure in the previous year at £1.3 million. Cash management continues to play a particularly important role as activity levels across the Group continue to rise. The requirement to fund higher levels of work in progress and debtors will require careful management, as will the need to ensure that funds are set aside for replacement and improvement of capital equipment to maintain as well as improve the quality of output. The Group had cash balances of £2.6 million at 31 December 2015, which together with the bank overdraft facilities will provide adequate funds to cover the projected working capital requirements of the Group.

Shafton

The opportunity to acquire the Shafton site was identified during the year and the purchase was completed just before the year end. The site consists of two industrial buildings with a substantial amount of outside storage space. The main building, containing steel processing machinery and associated heavy lifting equipment, was principally occupied by Sherling Steel (UK) Limited, which operated a steel profiling and processing business. The other building is occupied by long term tenants who will remain in place.

The principal attraction of acquiring the site was the increase in capacity that would be gained in respect of Billington's structural steelwork activities. The large and flexible site will provide increased opportunities for development of ancillary activities associated with the Group's current activities. The range of modern profiling equipment will service the Group as well as the wider market and further increases its abilities in all areas.

Investment is required to enhance and adapt the facilities further and will be completed incrementally as business ideas are developed and implemented in the future.

Prospects

The prospects for 2016 are positive with the structural steel business and Peter Marshalls coming into the year with substantial order books and positive enquiries. There has been some slippage in the first quarter due to both weather conditions and capacity constraints in the wider supply chain, necessitating additional work being taken on at lower margins in order to maintain workload. However, the outlook for the rest of the year is positive, giving management confidence of delivering full year results in line with market expectations.

Management and workforce

I should like to express my thanks to all the directors and employees for their efforts and assistance over the past twelve months.

Peter Hems

Non Executive Chairman

21 March 2016

Operational Review

The Group has continued to perform well during 2015 building on last year's results and delivering ahead of original market expectations, and in line with current market expectations. All divisions have increased their output and further improvements in efficiencies have been realised. All Group companies have returned a positive result and improved on that of the previous year.

Productivity for 2015 increased as Billington secured a number of large, high profile contracts. This was mainly achieved by lengthening the working pattern of our own internal fabrication facilities and supplementing this with our network of approved sub-let resources.

Market conditions for the UK construction industry remain positive and the Group has a visible pipeline of work stretching towards the end of 2016 although margins remain tight across the industry as a result of some existing latent capacity.

Towards the latter part of the year, the Group acquired land, buildings and associated trading assets of Sherling Steel UK Limited for the sum of £4.9m. The acquisition will enable the Group to expand, improve the product offering to our client base and diversify into new services, to generate further revenue and profit opportunities.

Capital investments will be made during 2016 to improve, adapt and enhance facilities and machinery across all Group locations.

The aim during 2016 is to maintain and further enhance the Group's operating margin and investigate new, complementary business opportunities.

Health, Safety, Sustainability, Quality and the Environment

Billington are committed to health, safety, sustainability, quality and the environment, which all remain at the core of all our divisions. The Group continues to have active involvement in a variety of initiatives, both local and nationwide, and we are proud of the numerous awards received by our onsite teams during the period for their dedication to health and safety practices.

Billington Structures

As a result of the work on larger, high profile contracts delivered during 2015 we fabricated around 25,000 tonnes of material throughout the UK. The construction of the Next Distribution Centre, a one million square feet Distribution Centre containing approximately 5,000 tonnes of steelwork, on budget and on time, firmly demonstrated Billington's ability to deliver high volume, large projects of this nature.

Major projects included:

- Next Distribution Centre, Doncaster
- Brize Norton Aircraft Hangar
- Aldi Distribution Centre, Cardiff
- One New Bailey, Salford
- Wellington Place, Leeds

At the conclusion of 2015 the Company acquired the plant and equipment assets of Sherling Steel UK Limited, a steel processing and profiling operation near to Billington's head office in Barnsley. The acquisition of the equipment represents a milestone in the development of the Company and the services which it will be able to offer to its customers in the future.

The modern equipment both complements and enhances the steel processing abilities of the Group and will ensure that more services which are currently purchased can be completed in house, further increasing margin potential on contracts.

Billington Structures has experienced a slow start to the year, hindered by delayed contracts and adverse weather conditions that have affected on-site progress. Potential orders have been difficult to realise due to the current competitive environment being experienced. However, the order book beyond the first quarter to the end of 2016 is strong and provides the confidence that the division will deliver another robust and positive performance.

Tubecon

Tubecon, a division of Billington Structures specialising in Architecturally Exposed Structural Steelwork (AESS), is continuing to see an upturn in the volume and quality of enquiries following the successful delivery of a prestigious sports club in London.

As the market continues to recover, we continue to believe that demand for this type of complex tubular work will increase and enable the division to achieve an improved margin in this specialist area.

easi-edge

easi-edge has been able to achieve a strong and stable workload throughout 2015 with its regular client base on the back of an improving market. Efficiencies have been achieved by a restructure within the factory that has resulted in a reduction of overhead costs. A management restructure has resulted in the appointment of a new General Manager who is experienced in the industry with a focus on Sales Management.

In order to enhance the future life of the barriers and maintain the high quality image of our product we have instigated a full refurbishment programme of the panels and related componentry. In-house resources at our newly acquired Group facility will be utilised for this operation.

Major projects included:

- Sovereign Square, Leeds
- Beaumont Academy, Warrington
- Central Square, Leeds
- St. James Road, Glasgow
- City Campus, Glasgow

Given the current level of demand, along with the anticipated level of future work spanning through to the third quarter of 2016, the Company is actively looking forward to making additions to its hire fleet. Product development continues in order to maintain our position as the market leader in edge protection systems.

hoard-it

The strengthening of the sales team in 2015 has yielded significant new business opportunities, with the product now being specified and utilised by the majority of Tier One principal contractors throughout the UK. Term deals have been secured to provide a strong level of repeat business which has established consistent revenue. hoard-it's primary product is now firmly established within the hoardings industry as a premium product. The business continues to investigate further product development in order to broaden its site hoarding range.

Major projects included:

- Anfield Football Stadium, Liverpool
- University of Kent, Canterbury
- Airport, Edinburgh
- Olympic Park, Stratford
- Southwark Schools, London

The business has already secured an enviable order book for 2016 and can look forward with an increasing degree of optimism.

Peter Marshall Steel Stairs

2015 has been a year of stability and progression. The Company has performed well, produced work efficiently and built upon previous excellent customer relationships.

Peter Marshalls enters 2016 with its largest order book since the purchase of the company out of administration in 2010. Projects include a number of high profile customers which it is hoped can provide repeat business in the future.

Towards the end of 2015 the Company committed to the purchase of a saw and drill line to further aid efficiencies, expand its product capabilities and reduce its cost base.

The Company is well placed to further continue its revenue and profitability progression in 2016.

Notable projects have included:

- London School of Economics, London
- University Technical College, Peterborough
- Cornwall Energy Recovery Centre, St. Austell
- Sanger Institute, Cambridge
- Next Distribution Centre, Doncaster

Peter Marshall Steel Stairs continues to consolidate its position in the market as the leading steel staircase and secondary steelwork contractor.

People

I would like to take this opportunity to thank all of my colleagues, fellow board members and wider stakeholders for their support and assistance through 2015. The volume of work that has been delivered in the year is testament to the hard work and dedication of everyone employed within the Group.

Furthermore, the Group would like to thank Roger Hale, the long serving Billington Structures' Yate Divisional Director, for all of his hard work and dedication over the years and wish him all the very best for a long and happy retirement.

Conclusion

The Group is encouraged to see that the measures implemented over recent years have enabled Billington to become a leaner and more efficient business whilst maintaining flexibility to meet the high quality demands of its loyal customers.

Once again each Group company has returned a profit for 2015 and is in a strong position trading into 2016.

The Group recognises the difficulty the industry faces with a skill set shortage and its potential to restrict growth and development. We continue to recruit and train at all levels, and have been working closely with the British Constructional Steelwork Association's (BCSA) Competency Route of Attaining a Fabrication Trade (CRAFT) scheme designed to promote the recruitment and training of Workshop employees. Billington progressed the first apprentice through the CRAFT scheme. There are 33 apprentices engaged within the scheme across the membership of the BCSA. We continue to lead at the forefront of the scheme and currently have three apprentices completing the programme and intend to take on many more.

As the industry continues to recover the prospects are encouraging, although the market remains very competitive and pressure is evident on price and programme. The receipt of satisfactory instructions to proceed, the timely flow of information and the fluidity of contract build programmes remain constant issues.

Steel material prices remain at a historically low level and we anticipate that the increases the industry has already seen this year will continue through 2016.

With the successful acquisition of the Shafton facility the Group is enthused and energised in formulating expansion and diversification plans. Capital expenditure projects have been re-evaluated in light of the additional facility and this inevitably will result in modest investments being made to this and other Group facilities over the medium term.

The Group is proud to have received the BCSA Design Award for the Derby Velodrome Project which recognises the quality and abilities of the Billington offering.

Looking ahead, I believe that the Group's strengths, which include its robust financial footing, quality product offering, strong and talented team and first class customer service, leave Billington well positioned to capitalise on the next positive phase of its development in this financial year and beyond.

Mark Smith

Chief Executive Officer

21 March 2016

Financial Review

Consolidated Income Statement

	2015	2014
	£'000	£'000
Revenue	56,748	45,103
Operating profit	3,084	1,899
Profit before tax	3,110	1,922
Profit after tax	2,444	1,445
Profit for shareholders	2,444	1,445
Earnings per share	21.1p	12.5p

Revenue has increased 26 per cent year on year primarily as a result of Billington Structures increasing its output, particularly in relation to traditional structural steelwork activities. Demand for structural steel in 2015 remained below pre-recession levels, however, the Group still achieved growth and obtained a higher volume of work.

Forecasts indicate that the consumption of structural steelwork within the UK increased by eight per cent in 2015 to 867,000 tonnes and is further projected to increase by four per cent in 2016. This allows the Group to look forward with an increased degree of optimism.

Operating margins (after redundancy costs) improved to 5.4 per cent, against 4.2 per cent in 2014. Our short term target was to return to an operating margin of 5 per cent and it is pleasing to note that this has been completed in a somewhat shorter timescale than expected. Operating margins have not returned to pre-recession levels and it is not anticipated they will in the short term although steady, progressive improvement is anticipated as the economy continues to recover.

Earnings per share improved from 12.5p in 2014 to 21.1p in 2015.

Redundancy costs of £1,053,000 have been expended since 2010 with this now resulting in a much leaner and more efficient business. The revenue per employee the Group has achieved this year is the highest recorded with the Group's current structure and is a credit to everyone's hard work and efforts to improve the efficiency of the businesses.

Staff numbers as at December have increased 15 per cent, from the same period last year, to 337 primarily as a result of a number of employees transferring to Billington upon the purchase of the Shafton facility in December 2015. Employment of additional labour as the site is adapted for optimum use is anticipated over the short to medium term.

The purchase of the Shafton facility is not anticipated to have a material impact on the trading result of the Group in 2016 while the facility is adapted for optimum production and certain tenants, who occupy particular areas of the site, vacate at the expiry of their leases.

Consolidated Balance Sheet

	2015	2014
	£'000	£'000
Non current assets	14,166	9,311
Current assets	18,494	17,424
Current liabilities	(13,800)	(12,152)
Non current liabilities	(2,492)	(279)
Total equity	16,368	14,304

Capital expenditure increased in the year to £6,111,000 from £1,308,000 in 2014. It was reported last year that items of capital equipment within the Billington Structures' business required upgrading to ensure that efficiencies were maintained and improved moving forward. The opportunity to purchase the land and buildings and associated plant and equipment previously operated by Sherling Steel UK Limited in Shafton, Barnsley arose during 2015. The acquired value of the land and buildings was £2,500,000 and the associated plant and equipment was £2,380,000.

Other capital expenditure in the year consisted of the purchase of a saw and drill line in our Peter Marshalls business as well as our continual programme of upgrading and enhancing our hoarding and safety barrier fleets.

Within non-current assets, property, plant and equipment increased by £4,999,000, and deferred tax assets decreased by £234,000. Net disposals were £15,000 and depreciation was £1,097,000. The balance of the movement is as a result of a surplus on the defined benefit pension scheme, which increased by a further £90,000 in the year.

The increase of £1,070,000 in current assets included increases of £2,096,000 in inventories and £235,000 in trade and other receivables, along with a decrease of £1,261,000 in cash.

The total rise of £1,648,000 in current liabilities principally comprised an increase in trade and other payables of £1,337,000 as the businesses enjoyed an improvement in workflow towards the latter part of the year.

A property loan of £469,000 was taken out in 2011 to purchase the trading premises of Peter Marshall Steel Stairs; £45,000 of this is reflected within current liabilities and £234,000 within non-current liabilities, with repayments made against the balance in the year of £45,000. A mortgage of £2,500,000 was taken over 10 years to purchase the land and buildings at Shafton; £250,000 is reflected in current liabilities with £2,250,000 disclosed in non-current liabilities.

Total equity increased by £2,064,000 in the year to £16,368,000; this is particularly encouraging and provides a degree of optimism with which to move forward. The financial position of the Group at the end of the year remains robust and provides a platform from which the Group can further improve shareholder value.

Consolidated Cash Flow Statement

	2015	2014
	£'000	£'000
Result for shareholders	2,444	1,445
Depreciation	1,097	771
Capital expenditure	(6,111)	(1,308)
Tax paid	(350)	(38)
Tax per income statement	666	477
(Increase)/decrease in working capital	(995)	268
Additional pension contributions	(123)	(244)
Dividends	(347)	-
Net property loan movement	2,469	(44)
Others	(11)	(11)
Net cash (outflow)/inflow	(1,261)	1,296
Cash at beginning of year	3,872	2,576
Cash at end of year	2,611	3,872

Dividends were reinstated in the year at a cash cost of £347,000, representing three pence per share. Taking the purchase of Shafton, along with the dividend paid in the year, the Group's conversion of profits into cash was satisfactory.

Capital expenditure was in excess of depreciation by £5,014,000. This cash utilisation was offset by an increase in working capital of £995,000 and the addition of a £2,500,000 commercial mortgage. Tax paid in the period was largely as a result of the Group returning to a quarterly instalment arrangement in the year following the utilisation of the remaining tax losses in 2014.

The Group remains committed to treating its suppliers and subcontractors fairly and to paying them in line with their agreed payment terms.

Working capital was as shown below:

	2015	2014
	£'000	£'000
Inventories	10,568	8,472
Accounts receivable	5,315	5,080
Accounts payable	(13,344)	(12,007)
Working capital at end of year	2,539	1,545

Cash balances at the year end totalled £2,611,000 and there were property loans outstanding of £2,779,000. It is pleasing to note the satisfactory cash position of the Group, notwithstanding the large cash usage related to the major purchase in the period. Consistent and positive trading performance combined with effective working capital management will ensure that cash balances are further maintained and improved.

It is inevitable that as business volumes increase further there will be added pressure on cash flow, although the combination of strong financial controls and adequate, agreed banking facilities will ensure that the Group has sufficient liquidity to fund future growth.

Pension Scheme

	2015	2014
	£'000	£'000
Scheme assets	7,114	7,329
Scheme liabilities	(6,146)	(6,451)
Surplus	968	878
Other finance income	33	35
Contributions to defined benefit scheme	123	244

To limit the Group's exposure to future potential pension liabilities the decision was taken to close the remaining Billington defined benefit pension scheme to future accrual from 1 July 2011. It is pleasing to note that the position of the scheme as at the year end continues to show signs of steady improvement.

A recovery plan for the Billington scheme was agreed with the trustees following an actuarial valuation of the scheme liabilities as at 31 March 2014, in accordance with the requirements of the Pensions Act. Additional contributions are being made in accordance with this agreement.

Employee Share Option Plan (ESOP)

After the year end the Company has implemented a new ESOP using shares that were contained in a previous trust but had laid dormant for a number of years. Options were issued across the Group to allow employees to share in the future continued success of the Group, promote productivity and provide further incentive to recruit and retain employees.

Trevor Taylor

Finance Director

21 March 2016

BILLINGTON HOLDINGS PLC

Consolidated income statement for the year ended 31 December 2015

	Note	2015		2014	
		£'000	£'000	£'000	£'000
Revenue, excluding movements in work in progress			54,762		44,517
Increase in work in progress			1,986		586
Revenue			56,748		45,103
Raw materials and consumables		36,172		27,619	
Other external charges		3,537		3,165	
Staff costs		11,079		10,356	
Redundancy		20		20	
Depreciation		1,097		771	
Other operating charges		1,759		1,273	
			(53,664)		(43,204)
Group operating profit			3,084		1,899
Share of post tax profit in joint ventures			-		-
Total operating profit			3,084		1,899
Net finance income			26		23
Profit before tax			3,110		1,922
Tax			(666)		(477)
Profit for the year			2,444		1,445
Profit for the year attributable to equity holders of the parent company			2,444		1,445
Earnings per share (basic and diluted)	3		21.1 p		12.5 p

All results arose from continuing operations.

Consolidated statement of comprehensive income for the year ended 31 December 2015

	Note	2015	2014
		£'000	£'000
Profit for the year		2,444	1,445
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit surplus		(66)	(54)
Movement on deferred tax relating to pension liability		(5)	(32)
Current tax relating to pension liability		32	60
Other comprehensive income, net of tax		(39)	(26)
Total comprehensive income for the year attributable to equity holders of the parent company		2,405	1,419

Consolidated balance sheet as at 31 December 2015

	Note	2015		2014	
		£'000	£'000	£'000	£'000
Assets					
Non current assets					
Property, plant and equipment			13,160		8,161
Pension asset			968		878
Investments in joint ventures			-		-
Deferred tax asset			38		272
Total non current assets			14,166		9,311
Current assets					
Inventories and work in progress		10,568		8,472	
Trade and other receivables		5,315		5,080	
Cash and cash equivalents		2,611		3,872	
Total current assets			18,494		17,424
Total assets			32,660		26,735
Liabilities					
Current liabilities					
Current portion of long term borrowings		301		45	
Trade and other payables		13,344		12,007	
Current tax payable		155		100	
Total current liabilities			13,800		12,152
Non current liabilities					
Long term borrowings		2,492		279	
Total non current liabilities			2,492		279
Total liabilities			16,292		12,431
Net assets			16,368		14,304
Equity					
Share capital			1,293		1,293
Share premium			1,864		1,864
Capital redemption reserve			132		132
Other reserve			(904)		(910)
Accumulated profits			13,983		11,925
Total equity			16,368		14,304

The Group financial statements were approved and authorised for issue by the Board of Directors on 21 March 2016.

P.K. HEMS	Chairman
T.M. TAYLOR	Finance Director

Consolidated cash flow statement for the year ended 31 December 2015

	Note	2015	2014
		£'000	£'000
Cash flows from operating activities			
Group profit after tax		2,444	1,445
Taxation paid		(350)	(39)
Depreciation on property, plant and equipment		1,097	771
Difference between pension charge and cash contributions		(123)	(244)
Profit on sale of property, plant and equipment		(197)	(86)
Taxation charge recognised in income statement		666	477
Net finance income		(26)	(23)
Increase in inventories and work in progress		(2,096)	(557)
Increase in trade and other receivables		(235)	(669)
Increase in trade and other payables		1,336	1,494
Net cash flow from operating activities		2,516	2,569
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,111)	(1,308)
Proceeds from sale of property, plant and equipment		212	91
Net cash flow from investing activities		(5,899)	(1,217)
Cash flows from financing activities			
Interest paid		(7)	(12)
Proceeds of bank and other loans		2,514	-
Repayment of bank and other loans		(45)	(44)
Capital element of hire purchase payments		-	-
Dividends paid		(347)	-
Employee Share Ownership Plan share purchases		(3)	-
Employee Share Ownership Plan share sales		10	-
Net cash flow from financing activities		2,122	(56)
Net increase in cash and cash equivalents		(1,261)	1,296
Cash and cash equivalents at beginning of period		3,872	2,576
Cash and cash equivalents at end of period		2,611	3,872

Consolidated statement of changes in equity for the year ended 31 December 2015

	Share capital	Share premium account	Capital redemption reserve	Other reserve - ESOP	Accumulated profits	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2014	1,293	1,864	132	(909)	10,506	12,886
Transactions with owners						
ESOP movement in year	-	-	-	(1)	-	(1)
Transactions with owners	-	-	-	(1)	-	(1)
Profit for the financial year	-	-	-	-	1,445	1,445
Other comprehensive income						
Actuarial gain recognised in the pension scheme	-	-	-	-	(54)	(54)
Income tax relating to components of other comprehensive income	-	-	-	-	28	28
Total comprehensive income for the year	-	-	-	-	1,419	1,419
At 31 December 2014	1,293	1,864	132	(910)	11,925	14,304

	Share capital	Share premium account	Capital redemption reserve	Other reserve - ESOP	Accumulated profits	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2015	1,293	1,864	132	(910)	11,925	14,304
Transactions with owners	-					
Dividends (note 6)	-	-	-	-	(347)	(347)
ESOP movement in year	-	-	-	6	-	6
Transactions with owners	-	-	-	6	(347)	(341)
Profit for the financial year	-	-	-	-	2,444	2,444
Other comprehensive income						

Actuarial loss recognised in the pension scheme	-	-	-	-	(66)	(66)
Income tax relating to components of other comprehensive income	-	-	-	-	27	27
Total comprehensive income for the year	-	-	-	-	2,405	2,405
At 31 December 2015	1,293	1,864	132	(904)	13,983	16,368

The Group accumulated profits reserve includes a surplus of £774,000 (2014 - £689,000) relating to the net pension surplus.

Notes (audited)

Full year results for the year ended 31 December 2015

1. Basis of preparation

   The financial information in this preliminary announcement has been prepared in accordance with accounting policies which are based on the International Financial Reporting Standards (IFRSs) as adopted by the European Union and in issue and in effect at 31 December 2015.

2. Accounts

   The summary accounts set out above do not constitute statutory accounts as defined by Section 434 of the UK Companies Act 2006. The summarised consolidated balance sheet at 31 December 2015, the summarised consolidated income statement, the summarised consolidated statement of comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated cash flow statement for the year then ended have been extracted from the Group's 2015 statutory financial statements upon which the auditor's opinion is unqualified and did not contain a statement under either sections 498(2) or 498(3) of the Companies Act 2006. The audit report for the year ended 31 December 2014 did not contain statements under sections 498(2) or 498(3) of the Companies Act 2006. The statutory financial statements for the year ended 31 December 2014 have been delivered to the Registrar of Companies. The 31 December 2015 accounts were approved by the directors on 21 March 2016, but have not yet been delivered to the Registrar of Companies.

3. Earnings per share

   Earnings per share is calculated by dividing the profit for the year of £2,444,000 (2014 - profit - £1,445,000) by 11,585,041 (2014 - 11,580,808) fully paid ordinary shares, being the weighted average number of ordinary shares in issue during the year, excluding those held in the ESOP Trust.

   There is no impact on a full dilution of the earnings per share calculation as there are no potential dilutive ordinary shares.

4. Report and accounts and AGM

   The Annual Report and Accounts for the year ended 31 December 2015 will be available on the company's website: www.billington-holdings.plc.uk, from no later than 29 April 2016.

   The Annual General Meeting will be held on Tuesday 7 June 2016 at 2pm at Billington Holdings Plc, Steel House, Barnsley Road, Wombwell, South Yorkshire S73 8DS.

5. Segmental information

   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 with Structural Steel. All assets of the Group reside in the UK.

6. Dividend

   The Board proposes to pay a dividend of 6 pence per share on 1 July 2016 to shareholders on the register on the 2 June 2016.