

# **Billington Holdings Plc**

Interim Report and Accounts 2017

**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**

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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](http://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 30 June 2017

	Unaudited Six months to 30 June 2017 £'000	Unaudited Six months to 30 June 2016 £'000	Audited Twelve months to 31 December 2016 £'000
<b>Continuing operations</b>			
Revenue, excluding movements in work in progress	34,686	30,008	64,291
Decrease in work in progress	<u>(397)</u>	<u>(2,962)</u>	<u>(957)</u>
<b>Revenue</b>	<u><b>34,289</b></u>	<u><b>27,046</b></u>	<u><b>63,334</b></u>
Raw material and consumables	21,664	15,957	39,470
Other external charges	2,242	1,926	4,208
Staff costs	6,871	6,083	12,903
Depreciation	635	592	1,254
Other operating charges	<u>610</u>	<u>719</u>	<u>1,674</u>
	<u><b>32,022</b></u>	<u><b>25,277</b></u>	<u><b>59,509</b></u>
<b>Group operating profit</b>	<b>2,267</b>	1,769	3,825
Share of post tax profit in joint ventures	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total operating profit</b>	<b>2,267</b>	1,769	3,825
Net finance expense	<u>(24)</u>	<u>(31)</u>	<u>(22)</u>
<b>Profit before tax</b>	<b>2,243</b>	1,738	3,803
Tax	<u>(448)</u>	<u>(378)</u>	<u>(832)</u>
<b>Profit for the period from continuing operations and attributable to equity holders of the parent company</b>	<u><b>1,795</b></u>	<u><b>1,360</b></u>	<u><b>2,971</b></u>
<b>Earnings per share (basic and diluted) from continuing operations</b>	<u><b>14.9 p</b></u>	<u><b>11.7 p</b></u>	<u><b>25.4 p</b></u>
<b>Dividends per share</b>	<u><b>10.00 p</b></u>	<u><b>6.00 p</b></u>	<u><b>6.00 p</b></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 12,048,408. The comparatives are calculated by reference to the weighted average number of ordinary shares in issue which were 11,603,836 for the period to 30 June 2016 and 11,715,526 for the year ended 31 December 2016.

**Condensed consolidated interim statement of comprehensive income**

Six months ended 30 June 2017

	<b>Unaudited Six months to 30 June 2017 £'000</b>	Unaudited Six months to 30 June 2016 £'000	Audited Twelve months to 31 December 2016 £'000
<b>Profit for the period</b>	<b>1,795</b>	1,360	2,971
<b>Other comprehensive income</b>			
Remeasurement of net defined benefit surplus	-	-	17
Movement on deferred tax relating to pension liability	-	-	(1)
Current tax relating to pension liability	-	-	32
<b>Other comprehensive income, net of tax</b>	<b>-</b>	-	<b>48</b>
<b>Total comprehensive income for the period attributable to equity holders of the parent company</b>	<b>1,795</b>	<b>1,360</b>	<b>3,019</b>

**Condensed consolidated interim balance sheet**

As at 30 June 2017

	<b>Unaudited 30 June 2017 £'000</b>	Unaudited 30 June 2016 £'000	Audited 31 December 2016 £'000
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	13,230	13,089	13,148
Pension asset	1,146	968	1,146
Investment in joint ventures	-	-	-
Deferred tax asset	27	38	27
<b>Total non current assets</b>	<b>14,403</b>	<b>14,095</b>	<b>14,321</b>
<b>Current assets</b>			
Inventories and work in progress	9,374	7,663	9,865
Trade and other receivables	7,970	6,747	5,581
Cash and cash equivalents	6,812	6,242	6,033
<b>Total current assets</b>	<b>24,156</b>	<b>20,652</b>	<b>21,479</b>
<b>Total assets</b>	<b>38,559</b>	<b>34,747</b>	<b>35,800</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Current portion of long term borrowings	218	267	487
Trade and other payables	16,262	14,774	13,940
Current tax payable	565	379	569
<b>Total current liabilities</b>	<b>17,045</b>	<b>15,420</b>	<b>14,996</b>
<b>Non current liabilities</b>			
Long term borrowings	2,125	2,375	2,005
<b>Total non current liabilities</b>	<b>2,125</b>	<b>2,375</b>	<b>2,005</b>
<b>Total liabilities</b>	<b>19,170</b>	<b>17,795</b>	<b>17,001</b>
<b>Net assets</b>	<b>19,389</b>	<b>16,952</b>	<b>18,799</b>
<b>Equity</b>			
Share capital	1,293	1,293	1,293
Share premium	1,864	1,864	1,864
Capital redemption reserve	132	132	132
Other reserve	(825)	(904)	(825)
Accumulated profits	16,925	14,567	16,335
<b>Total equity</b>	<b>19,389</b>	<b>16,952</b>	<b>18,799</b>

**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
<b>At 1 January 2016</b>	1,293	1,864	132	(904)	13,983	16,368
Equity dividends declared	-	-	-	-	(776)	(776)
<b>Transactions with owners</b>	-	-	-	-	(776)	(776)
Profit for the six months to 30 June 2016	-	-	-	-	1,360	1,360
<b>Total comprehensive income for the period</b>	-	-	-	-	1,360	1,360
<b>At 30 June 2016</b>	1,293	1,864	132	(904)	14,567	16,952
<b>At 1 July 2016</b>	1,293	1,864	132	(904)	14,567	16,952
Equity dividends paid to ESOP	-	-	-	-	38	38
Credit related to equity-settled share based payments	-	-	-	-	71	71
ESOP movement in period	-	-	-	79	-	79
<b>Transactions with owners</b>	-	-	-	79	109	188
Profit for the six months to 31 December 2016	-	-	-	-	1,611	1,611
<b>Other comprehensive income</b>	-	-	-	-	17	17
Actuarial gain recognised in the pension scheme	-	-	-	-	17	17
Income tax relating to components of other comprehensive income	-	-	-	-	31	31
<b>Total comprehensive income for the period</b>	-	-	-	-	1,659	1,659
<b>At 31 December 2016</b>	1,293	1,864	132	(825)	16,335	18,799
<b>At 1 January 2017</b>	1,293	1,864	132	(825)	16,335	18,799
Equity dividends declared	-	-	-	-	(1,205)	(1,205)
<b>Transactions with owners</b>	-	-	-	-	(1,205)	(1,205)
Profit for the six months to 30 June 2017	-	-	-	-	1,795	1,795
<b>Total comprehensive income for the period</b>	-	-	-	-	1,795	1,795
<b>At 30 June 2017</b>	1,293	1,864	132	(825)	16,925	19,389

**Condensed consolidated interim cash flow statement**

Six months ended 30th June 2017

	<b>Unaudited Six months to 30 June 2017 £'000</b>	Unaudited Six months to 30 June 2016 £'000	Audited Twelve months to 31 December 2016 £'000
<b>Cash flows from operating activities</b>			
Group profit after tax	1,795	1,360	2,971
Taxation paid	(452)	(156)	(376)
Depreciation on property, plant and equipment	635	592	1,254
Difference between pension charge and cash contributions	(31)	(61)	(123)
Share based payment charge	-	-	71
Profit on sale of property, plant and equipment	(79)	(117)	(228)
Taxation charge recognised in income statement	448	378	832
Net finance expense	24	31	22
Decrease in inventories and work in progress	491	2,905	703
Increase in trade and other receivables	(2,358)	(1,371)	(266)
Increase in trade and other payables	<u>2,322</u>	<u>1,430</u>	<u>596</u>
<b>Net cash flow from operating activities</b>	<b><u>2,795</u></b>	<b><u>4,991</u></b>	<b><u>5,456</u></b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(753)	(535)	(1,277)
Proceeds from sale of property, plant and equipment	<u>115</u>	<u>133</u>	<u>263</u>
<b>Net cash flow from investing activities</b>	<b><u>(638)</u></b>	<b><u>(402)</u></b>	<b><u>(1,014)</u></b>
<b>Cash flows from financing activities</b>			
Interest paid	(24)	(31)	(60)
Repayment of bank and other loans	(149)	(151)	(301)
Equity dividends paid	(1,205)	(776)	(738)
Employee Share Ownership Plan share purchases	-	-	(37)
Employee Share Ownership Plan share sales	<u>-</u>	<u>-</u>	<u>116</u>
<b>Net cash flow from financing activities</b>	<b><u>(1,378)</u></b>	<b><u>(958)</u></b>	<b><u>(1,020)</u></b>
<b>Net increase in cash and cash equivalents</b>	<b>779</b>	<b>3,631</b>	<b>3,422</b>
<b>Cash and cash equivalents at beginning of period</b>	<b><u>6,033</u></b>	<b><u>2,611</u></b>	<b><u>2,611</u></b>
<b>Cash and cash equivalents at end of period</b>	<b><u><u>6,812</u></u></b>	<b><u><u>6,242</u></u></b>	<b><u><u>6,033</u></u></b>

## **Notes to the interim accounts - as at 30 June 2017**

### **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, Peter Marshall Steel Stairs Limited and hoard-it 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 2017. 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 2016 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 2017 Billington Holdings Plc declared a final dividend of 10.0 pence per share amounting to £1,205,000 (2016: 6.0 pence, £776,000) to its equity shareholders. No interim dividend for 2017 has been declared (2016: nil).

These results were approved by the Board of Directors on 18 September 2017.