



Interim report 2019

	Page
Unaudited consolidated income statement	2
Unaudited consolidated statement of financial position	3
Notes to the unaudited financial information	4

Unaudited consolidated income statement
For the six months ended 28 February 2019

	Note	6 Months ended 28 Feb 2019 (Unaudited) £'000	6 Months ended 28 Feb 2018 (Unaudited) £'000	Year ended 31 Aug 2018 (Audited) £'000
Continuing operations				
Turnover	2	14,864	17,206	38,629
Cost of sales		(14,396)	(16,349)	(37,674)
Gross profit		468	857	955
Administrative expenses		(605)	(1,134)	(1,371)
Operating loss from continuing operations		(137)	(277)	(416)
Gain on financial asset at fair value through profit and loss account	3	-	-	450
(Loss)/profit on ordinary activities before exceptional item and taxation		(137)	(277)	34
Exceptional Item		-	-	(318)
(Loss) on ordinary activities before taxation		(137)	(277)	(284)
Taxation		-	-	-
(Loss) for the period		(137)	(277)	(284)
Attributable to:				
Equity holders of the parent		(137)	(277)	(284)
(Loss)/earnings per share				
From continuing operations				
Basic and diluted	4	(0.31)p	(0.63)p	0.08p
From continuing and discontinued operations				
Basic and diluted	4	(0.31)p	(0.63)p	(0.64)p

Unaudited consolidated statement of financial position
As at 28 February 2019

	Note	6 Months ended 28 Feb 2019 (Unaudited) £'000	6 Months ended 28 Feb 2018 (Unaudited) £'000	Year ended 31 Aug 2018 (Audited) £'000
Fixed Assets				
Tangible Assets		10	16	14
Investment Property		275	275	275
Investments		5,000	-	5,000
		<u>5,285</u>	<u>291</u>	<u>5,289</u>
Current assets				
Inventories	5	156	170	156
Debtors		6,274	11,417	9,949
Cash at bank and in hand		3,051	3,204	746
		<u>9,481</u>	<u>14,791</u>	<u>10,851</u>
Current liabilities				
Creditors: Amounts falling due within one year				
Creditors		(4,958)	(5,130)	(5,878)
Total current liabilities		<u>(4,958)</u>	<u>(5,130)</u>	<u>(5,878)</u>
Net current assets		<u>4,523</u>	<u>9,661</u>	<u>4,973</u>
Total assets less current liabilities		<u>9,808</u>	<u>9,952</u>	<u>10,261</u>
Provision for liabilities	6	-	-	(318)
Net assets		<u>9,808</u>	<u>9,952</u>	<u>9,945</u>
Shareholders' funds				
Share capital		2,205	2,205	2,205
Share premium account		2,106	2,106	2,106
Capital redemption reserve		61	61	61
Share option reserve		22	22	22
Retained earnings		4,964	5,558	5,101
Fair value reserve		450	-	450
Total shareholders' funds		<u>9,808</u>	<u>9,952</u>	<u>9,945</u>

Notes to the unaudited financial information

1. Basis of preparation

The financial information set out in this unaudited interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 August 2018, prepared under FRS 102, have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

The unaudited interim financial information has been prepared in accordance with the recognition and measurement principles of FRS 102 and on the same basis and using the same accounting policies as used in the financial statements for the year ended 31 August 2018. The interim financial statements have not been audited or reviewed in accordance with the International Standard on Review Engagement 2410 issued by the Auditing Practices Board.

2. Turnover

For management purposes, the Group is organised into different segments being professional construction services and development operations. All turnover is generated in the United Kingdom.

Turnover analysed by category was as follows:

	6 Months ended 28 Feb 2019 (Unaudited) £'000	6 Months ended 28 Feb 2018 (Unaudited) £'000	Year ended 31 Aug 2018 (Audited) £'000
Professional construction services	14,864	15,846	37,268
Development operations	-	1,360	1,361
	<hr/>	<hr/>	<hr/>
	14,864	17,206	38,629
	<hr/>	<hr/>	<hr/>

3. Exceptional Item

Included in the 2018 audited accounts is a provision of £0.318m in relation to a judgement passed by the court to Formation Construction Limited (FCL). This liability is the sole obligation of FCL, with no recourse to the remainder of the group.

4. Earnings per share

The calculation of basic and diluted loss per share is based on the following losses and numbers of shares:

	6 Months ended 28 Feb 2019 (Unaudited)	6 Months ended 28 Feb 2018 (Unaudited)	Year ended 31 Aug 2018 (Audited)
Basic earnings before exceptional items	(137)	(277)	34
Basic loss after exceptional items	-	-	(318)
	<hr/>	<hr/>	<hr/>
Basic and diluted profit – continuing and discontinued operations	(137)	(277)	(284)
	<hr/>	<hr/>	<hr/>
	Number of 5p shares '000	Number of 5p shares '000	Number of 5p shares '000
Weighted average number of shares:			
Basic	44,103	44,103	44,103
Diluted	44,103	44,103	44,887
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Profit per share is calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of shares in issue during the period.

5. Inventories

	6 Months ended 28 Feb 2019 (Unaudited) £'000	6 Months ended 28 Feb 2018 (Unaudited) £'000	Year ended 31 Aug 2017 (Audited) £'000
Work in progress & stock of properties	156	170	156
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The inventory is held at the lower of cost and estimated selling price. There has been no impairment of inventories or amounts recognised in the income statement during the period.

6. Contingent liability note

On 4 November 2015, the Health and Safety Executive began an investigation into Formation Construction Limited (FCL) following an accident on one FCL's construction sites on that date. Prosecution by the Health and Safety Executive against FCL has now concluded and the financial impact of the court case was provided for in the 2018 audited accounts, as referenced in note 3 above.