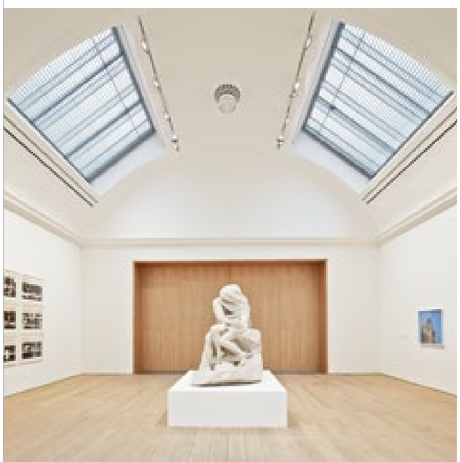
The Alumasc Group plc
Report and Accounts 2015

Premium building and precision engineering products

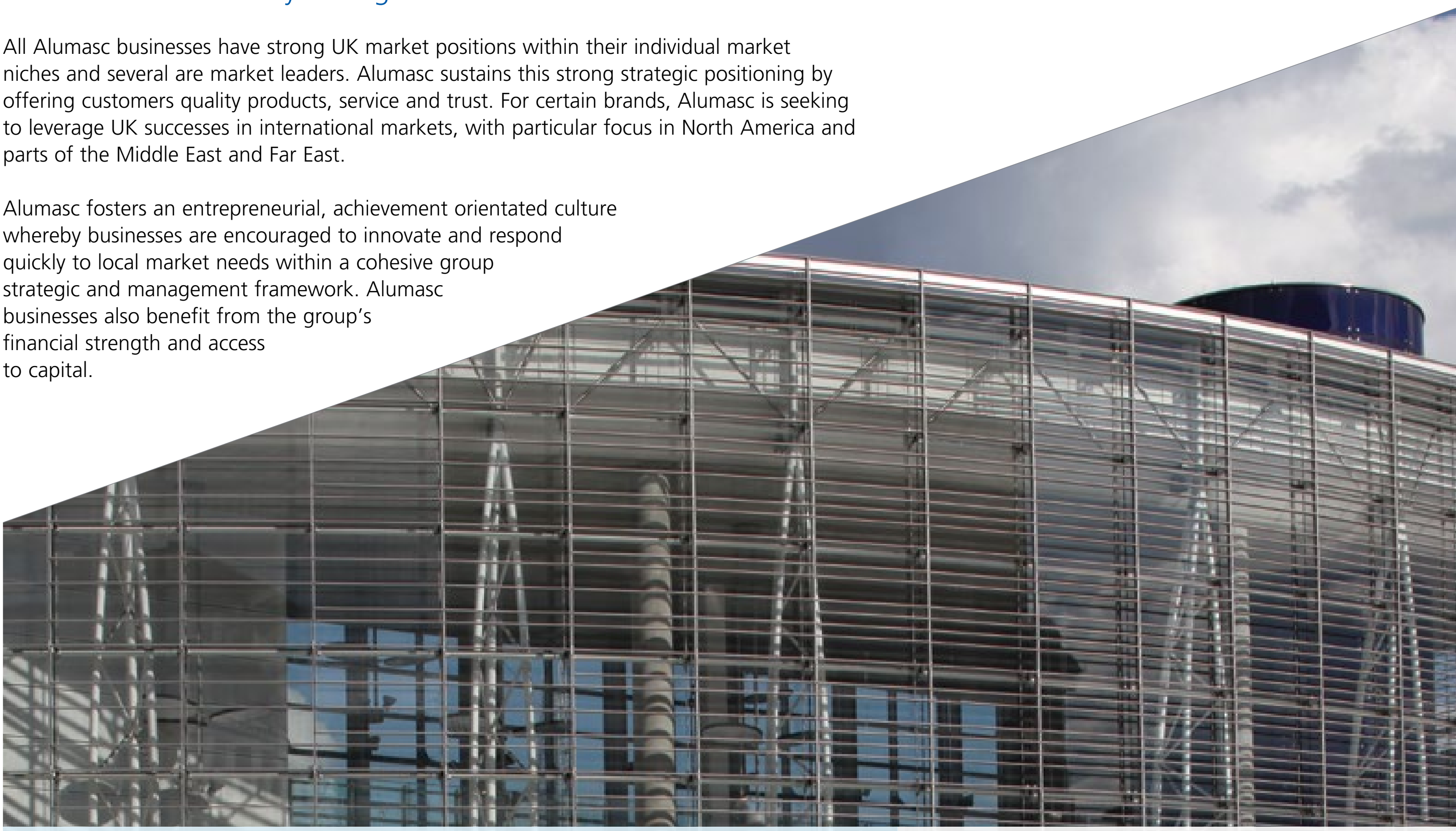


The Alumasc Group

Alumasc is a UK based supplier of premium building and precision engineering products. The majority of the group's business is in the area of sustainable building products, which enable customers to manage energy and water use in the built environment. We believe that growth rates in these sectors, through the construction cycle, will exceed UK industry averages.

All Alumasc businesses have strong UK market positions within their individual market niches and several are market leaders. Alumasc sustains this strong strategic positioning by offering customers quality products, service and trust. For certain brands, Alumasc is seeking to leverage UK successes in international markets, with particular focus in North America and parts of the Middle East and Far East.

Alumasc fosters an entrepreneurial, achievement orientated culture whereby businesses are encouraged to innovate and respond quickly to local market needs within a cohesive group strategic and management framework. Alumasc businesses also benefit from the group's financial strength and access to capital.



Inside your Report and Accounts…

Strategic Report

01 Financial Highlights
02 Alumasc at a Glance
04 Chairman's Statement
06 Building Products' Divisional Strategy and Business Model
07 Measuring Progress
08 Chief Executive's Strategic and Performance Overview
10 Chief Executive's Review of Operations
13 Financial Review
16 Principal Risks and Uncertainties
18 Corporate and Social Responsibility

Governance

20 Board of Directors and Company Advisors
22 Directors' Report
27 Statement of Corporate Governance
29 Audit Committee Report
33 Directors' Remuneration Report

Financial Statements & Company Information

41 Independent Auditor's Report
44 Consolidated Statement of Comprehensive Income
45 Consolidated Statement of Financial Position
46 Consolidated Statement of Cash Flows
47 Consolidated Statement of Changes in Equity
48 Notes to the Consolidated Financial Statements
77 Company Balance Sheet
78 Notes to the Company Financial Statements
87 Five Year Summary
89 Notice of Annual General Meeting
92 Appendix I
93 Major Product Groups and Operating Locations

Moving Forward

In the last 10 years Alumasc has almost fully transformed from a diversified group into a focused niche Building Products business.

See our current business overview:

page 2

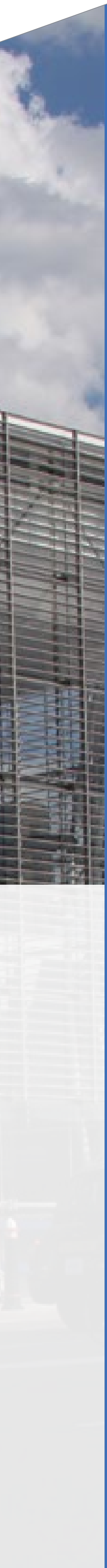
The latest online…

Certain information and topics may be covered in greater detail online. The arrow above indicates where further detail may be found.

Other information is outside the scope of this report, but may be found on or accessed through the Alumasc website:

www.alumasc.co.uk

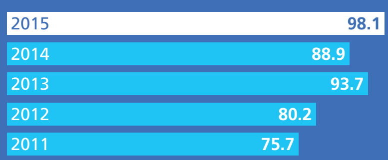
Strategic Report
Financial Highlights



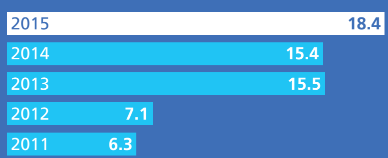
	2014/15	2013/14	Change
Continuing operations:			
Order book at 30 June (£m)	**26.5**	20.9	+27%
Revenue (£m)	**98.1**	88.9	+10%
Underlying profit before tax (£m)*	**8.4**	7.2	+16%
Underlying earnings per share (pence)*	**18.4**	15.4	+19%
Dividends per share (pence)	**6.0**	5.0	+20%
Net cash/(debt) at 30 June (£m)	**0.9**	(7.7)	
Total group (including discontinued operations):			
Profit for the year after tax (£m)	**4.4**	4.0	+8%
Basic earnings per share (pence)	**12.3**	11.3	+9%

* Underlying profits and earnings from continuing operations are stated prior to the deduction of IAS19 pension costs of £1.1 million (2013/14: £0.9 million) and brand amortisation of £0.3 million (2013/14: £0.3 million).

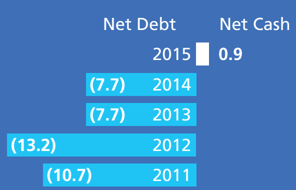
Revenue
(continuing operations) £m



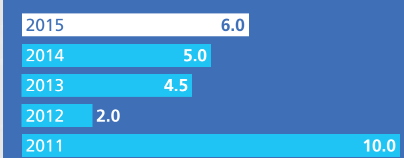
Underlying earnings per share
(continuing operations) pence



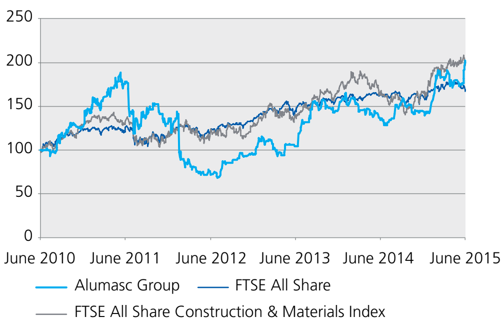
Net cash/(debt)
£m



Dividends per share
pence



Total shareholder return
(Indexed)



Source: Perfect Information

Forward-looking statements
This Report includes forward-looking statements that involve risk and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. These risks and uncertainties include international, national and local economic and market conditions, as well as competition. The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Strategic Report
Alumasc at a Glance
Divisional, Segmental and Principal Brand Analysis

Building products

The majority of the group's business is in the area of sustainable building products which enable customers to manage energy and water use in the built environment. We believe that growth rates in these sectors, through the construction cycle, will exceed UK industry averages.

Revenue (£m)

2015	90.3
2014	80.4
2013	85.4
2012	71.2
2011	67.0

Underlying operating profit (£m)

2015	9.8
2014	8.0
2013	8.4
2012	4.3
2011	3.8

Underlying operating margin (%)

2015	10.8
2014	9.9
2013	9.8
2012	6.0
2011	5.6

Energy management

Energy management solutions are designed either to increase the efficiency of, or to reduce energy use within, the built environment, improve the life cycle costs of a building and, in some cases, improve the comfort of building occupants.

Operating segments
Solar shading and screening
Roofing and walling

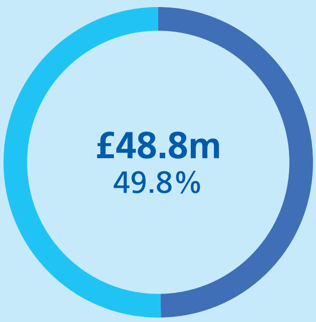
Key product groups
Solar shading and screening
Waterproofing systems
Green roofing
Roofing services support systems
Insulated render systems
Vented facade systems

Principal brands
Levolux (Solar shading and screening)
www.levolux.com

Euroroof (Roofing)
Hydrotech (Roofing)
Derbigum (Roofing)
Blackdown Greenroofs (Roofing)
Roof-Pro Systems (Roofing)
BluRoof (Roofing)
www.alumascwaterproofing.co.uk

Alumasc Facades (Walling)
www.alumascfacades.co.uk

Energy management
Contribution to Group revenue



Water management & House Building products

Water management solutions promote the more efficient use, retention, recycling and disposal of water within the built environment.

Operating segments
Construction products
Rainwater, drainage and House Building products

Key product groups
Fascia soffit copings
Metal rainwater systems
Drainage systems
Engineered access covers
Housing ventilation products, access panels and hatches, cavity closers and trays
Building and access products

Principal brands
Alumasc Water Management Solutions:
www.alumascwms.co.uk

Skyline (Fascia soffit copings)
www.alumascrainwater.co.uk

Alumasc Rainwater (Gutters and Downpipes)
www.alumascrainwater.co.uk

Harmer (Roof, shower and floor drainage systems)
www.harmerdrainage.co.uk

Gatic (Civil Drainage)
www.gatic.com/slotdrain

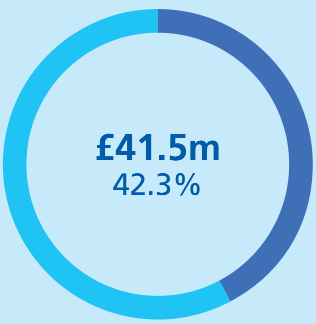
Gatic (Engineered access covers)
www.gatic.com

Rainclear (Rainwater distribution)
www.rainclear.co.uk

Timloc (Housing ventilation products, access panels/hatches, cavity closers and trays)
www.timloc.co.uk

SCP (Building and access products)
www.scp-props.co.uk

Water management & House Building products
Contribution to Group revenue



Accelerating growth

The sale of Alumasc Precision Components in June 2015 will enable the group to further increase its strategic focus with the aim of accelerating profitable growth.

see page 8

Dyson Diecastings

Dyson Diecastings supplies high quality, precision engineered and machined aluminium and zinc die cast components to a variety of industrial customers.

www.dysondiecastings.co.uk

Revenue* (£m)

* Note: Prior to the elimination of intercompany sales to the Building Products division.

Strategic Report
Chairman's Statement

This has been a year of major strategic re-alignment for Alumasc, coupled with the group's best performance since 2008.

John McCall
Chairman

Overview
This has been a year of major strategic re-alignment for Alumasc, coupled with a strong trading performance.

Revenue from continuing operations rose by £9.2 million (+10%) to £98.1 million. Underlying profit before tax rose by £1.2 million (+16%) to £8.4 million, building on the improving trend of recent years, and our best performance since 2008.

This improvement, we believe, is further evidence of outperformance by our portfolio of sustainable building products businesses against the welcome background of improving demand from UK construction. We estimate that our building products businesses have outgrown the sector by an average 3% per annum over the past five years.

Following its review of group strategy, the Board initiated the sale of two businesses during the year, which it considered unsuited to its more focused vision for the future. The smaller of the two, Pendock Profiles, sold in September 2014, generated a small trading profit prior to its sale and was sold at a profit to its book value. The much larger of the two, Alumasc Precision Components, continued to make losses until its sale at the close of the financial year, and a loss was incurred upon sale.

After taking full account of the impact of these two sales, basic earnings per share increased by 9% from 11.3 pence to 12.3 pence. The transactions will be earnings enhancing in the coming year.

The disposal of these businesses is viewed by the Board as a major step towards the greater focus of group resources in the field of sustainable building products foreshadowed in last year's annual report. It is pleasing that both businesses have found new owners providing a better fit for their particular attributes, and we wish them every success for the future.

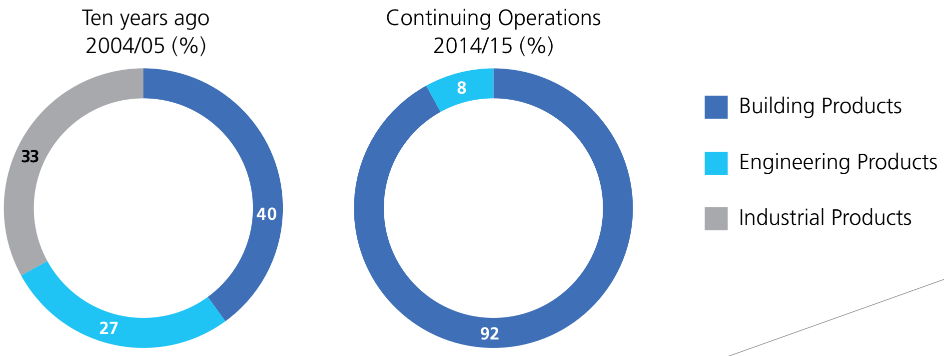
The combination of the strong performance outlined above with the sales proceeds from the two business disposals enabled the group to record a small cash surplus at the year-end. This provides an ideal base from which to pursue the development opportunities for our continuing activities referred to later in this report.

Dividends
In view of the trading performance, and consistent with its policy broadly to grow dividend payments in line with profit growth, the Board is recommending a final dividend of 3.5 pence per share (2014: 2.8 pence), giving a total for the year of 6 pence per share (2014: 5 pence), an increase of 20%.

Strategic Report 01 - 19
Governance 20 - 40
Financial Statements 41 - 93

Increasing Strategic Focus

Revenue analysis over the last ten years



Performance

The out-performance of Alumasc's building products activities is driven by:

- Strategic positioning: leading brands focused on energy & water management;
- Strong management teams;
- New product development;
- Increased focus on London & South East;
- Increased refurbishment sector sales; and
- Growing export sales.

See our divisional strategy and business model:
page 6

Board

David Armfield, a founding partner of Kinetix Corporate Finance LLP, was appointed a Director in October 2014. David has had a 30 year career in the City and, through Kinetix, provides corporate finance advice to the clean technology and environmental sustainability sectors. His insights in these fields and, more generally, sustainable solutions for the built environment, are of real relevance to the group's plans for development.

After a little over six years as a Non-Executive Director, John Pilkington retires from the Board following the announcement of these results. John's contribution and support have been much valued during this period of change and we wish him continued success with his wide-ranging interests.

Strategy

Our central strategy is to develop our market-leading positions in the supply of products and solutions for managing water and energy in buildings. This marketplace embraces both new-build and refurbishment activities and presents some specific opportunities outside Alumasc's UK base. In addition to the continuing drive for organic growth, acquisitions will be considered where they complement this focused development.

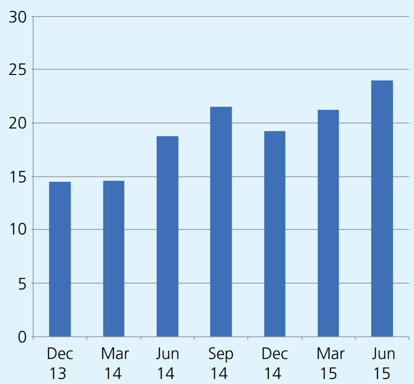
The strategic disposal of Alumasc Precision Components necessarily triggers the relocation of certain group business activities to new premises. In addition to providing an opportunity for rationalising several operations, this move will also assist with the commercial opportunity to restructure our approach to the market for our water management product ranges under the banner of Alumasc Water Management Solutions.

Prospects

Alumasc's focus on premium building products for sustainable building, coupled with the steady improvement in the UK economy, have resulted in widespread growth in demand for our product ranges during the past year. This improvement is widely forecast to continue, both generally and in the construction sector. Against this background, and with higher order intake and continuing success in establishing our overseas presence, the Board believes that the group will continue to make progress in the coming year.

John McCall
Chairman

Building Products Order Book (£m)



Note: Kitimat project orders excluded.

Strategic Report
Building Products' Divisional Strategy and Business Model

The strategic positioning of our Building Products activities has enabled us to grow faster than UK construction market averages in recent years.

We are well positioned to continue to benefit from the forecast growth in the UK construction market over the coming years.

Strategic objectives
To grow shareholder value through the development of our premium building products activities, each a leading player in its individual market niche. These activities are mainly focused on managing the scarce resources of energy and water in the built environment, where we expect growth rates to outperform the UK construction sector on average through the economic cycle.

Market outlook
Market commentators are predicting the UK construction market will continue to recover steadily after a period of significant contraction during the post 2008 recession. Alumasc plans to leverage this anticipated growth through continued introduction of new products, investment in high quality management and sales resources and the development of export sales.

Divisional strategy

Harness our key strengths of strong market positions, strong management teams and well respected brands.

Combine our strengths with a culture of innovation, service, quality and trust.

Deliver market leading and differentiated solutions to customers, specifiers and end users of buildings.

Leverage our strategic positioning to drive revenue growth, strong margins, operating cash flows and return on investment.

Our Business Model

The business model is to drive profitable growth within a devolved organisational structure. The management team of each group business has an in-depth understanding of its market niche, customer base and routes to market and is therefore able to evolve and adapt rapidly to market developments and exploit opportunities for growth. Alumasc facilitates this by recruiting, retaining, empowering and motivating high quality management teams in each of our businesses.

What We've Done

We are increasingly identifying and exploiting opportunities for organic growth and developing synergies between our businesses. Examples are the new Alumasc Water Management Solutions brand ("AWMS") and the planned £10 million investment in a new manufacturing and warehouse facility for this operation to be occupied in 2017.

Investing to Support Profitable Growth

In recent years we have invested almost £1 million pa, mainly in high quality people to drive profitable growth over the medium to longer term through innovation, new product development and further penetration of UK and international markets.

Approach

Management teams of each Alumasc business are encouraged to take an entrepreneurial, dynamic and innovative approach to developing their niche market positions.

Operating Models

The operating models of each Alumasc business are designed to be flexible to gear revenues up or down in line with short term demand and to keep a close control of overheads such that the businesses benefit from operational gearing, whilst outsourcing capital intensive manufacturing activities where appropriate.

Strategic Report 01 - 19
Governance 20 - 40
Financial Statements 41 - 93

Measuring Progress

Our Progress

- Divisional revenue growth rates are consistently ahead of UK construction market averages;
- We are generating rising operating profits, margins and returns on investment; and
- We continue to invest to support realisation of the future growth potential of the business.

Note: In order to better illustrate underlying trends in the continued successful execution of our strategy, the impact of the abnormally large Kitimat export project has been excluded from the data below in the years 2012-2015.

UK Construction Output (£bn)
CAGR: 1.0% (excluding inflation)

2014	123.7
2013	113.0
2012	112.6
2011	121.8
2010	119.1

Source: Experian.

Alumasc Revenues (£m)
CAGR: 7.5% (including inflation)

2014/15	89.3
2013/14	77.1
2012/13	77.3
2011/12	70.0
2010/11	66.9

Alumasc aims to continue its recent track record of growing revenues faster than the UK construction market on average.

UK Construction Output Forecasts (£bn)
CAGR: 3.9% (excluding inflation)

2017 (F)	138.9
2016 (F)	133.3
2015 (F)	128.5
2014 (A)	123.7

2011 constant prices. Source: Experian.
(F) Forecast
(A) Actual

Order Book (£m)

2014/15	24.0
2013/14	18.8
2012/13	18.9
2011/12	19.6
2010/11	13.4

Both the Construction Products Association and Experian are forecasting UK construction output to grow over the coming years and Alumasc's divisional order books are increasing.

Underlying Operating Profit (£m)

2014/15	9.2
2013/14	6.3
2012/13	6.3
2011/12	4.0
2010/11	3.8

Underlying Operating Margin (%)

2014/15	10.3
2013/14	8.2
2012/13	8.2
2011/12	5.7
2010/11	5.7

Divisional operating profits and margins have been growing faster than divisional revenues.

Investment to Support Growth (£m)

2014/15	0.8
2013/14	0.7
2012/13	0.4
2011/12	0.7
2010/11	0.8

Note: Alumasc data relates to financial years ended 30 June.

Post-tax ROI (%)

2014/15	23.5
2013/14	15.5
2012/13	15.7
2011/12	8.6
2010/11	8.1

Alumasc has consistently invested in people and new product development to underpin continued growth.

Divisional return on investment is strong, reflecting the growing profitability of the division combined with relatively low capital intensity.

Strategic Report
Chief Executive's Strategic and Performance Overview

Our strategic positioning and growth initiatives have enabled the Building Products division to outperform growth rates in the UK construction sector by around 3% per annum for the last five years.

Performance Overview	2014/15	2013/14
Continuing operations:		
Revenue (£m)	**98.1**	88.9
Underlying operating profit (£m)	**9.0**	7.8
Underlying operating margin (%)	***9.2***	*8.7*
Net interest on borrowings (£m)	**(0.6)**	(0.6)
Underlying profit before tax (£m)	**8.4**	7.2
IAS19 pension interest and brand amortisation (£m)	**(1.4)**	(1.2)
Profit before tax (£m)	**7.0**	6.0

Strategic overview
Alumasc's strategic objectives are to continue to develop and invest in our market leading building products businesses, primarily through organic growth but also through selective acquisitions. In addition, we will continue to grow and develop Dyson Diecastings by winning new work and improving operational efficiencies.

Over the last year the Board concluded its review of where Alumasc's best opportunities lie for focusing and directing group resources in building value for shareholders. The outcomes were:

1. The decision to focus the group's strategy for future profitable growth on our market leading building products businesses;

2. Strategic reviews of each of our businesses during the year identified a number of exciting opportunities for further organic growth and synergy:

   - Alumasc Rainwater and the existing Harmer and Gatic drainage brands, complemented by the introduction of new products, were combined on 1 July 2015 to form one holistic rainwater and drainage business, Alumasc Water Management Solutions;

   - there is increasing evidence in our order books of the anticipated recovery of Levolux towards mid-cycle revenues and operating margins. This will be leveraged by the development of balcony products and growth in export sales;

   - a planned major product range expansion at Timloc; and

   - further growth potential in our roofing and walling businesses, including new product introductions and investment in additional high quality sales and commercial resources; and

3. The decision to sell:

   (a) Alumasc Precision Components ("APC"), the group's loss making engineering products business. The sale of APC, which was completed on 26 June 2015 for cash consideration of £5.8 million, will be significantly earnings and cash flow enhancing for the group in the 2015/16 financial year; and
   (b) Pendock Profiles, a small non-core building products business, sold in September 2014 for £1.5 million.

Strategic Report 01 - 19
Governance 20 - 40
Financial Statements 41 - 93

The initial results from this more focused strategic approach began to be evident in the financial year to 30 June 2015 when the group's rate of revenue and profit growth from continuing operations accelerated, with group revenues ahead by 10% and underlying profit before tax increasing by 16%.

The business model and KPIs for Alumasc's building products activities, which in 2014/15 represented over 90% of group revenues and profit from continuing operations, are set out on pages 6 and 7. This highlights:

- our strong strategic positioning in sustainable building products market niches, particularly those connected with the management of the scarce resources of energy and water in the built environment;
- our continuing investment in people and innovation to underpin the delivery of the medium to longer term growth potential of our business. The related average annual incremental cost of this investment absorbed within operating profit over the last five years is approaching £1 million per annum, with an investment of just over £1 million planned for the 2015/16 financial year;
- our increasing penetration of higher growth markets within the UK such as London and the South East where some of our businesses were historically under-represented;
- a better balance of end-user markets for our building products sales, particularly through penetration of refurbishment markets (illustrated by the chart on page 11);
- our ability to leverage existing routes to market with new products and development of e-commerce channels; and
- the continuing expansion of our international reach, particularly through Levolux and Gatic.

These strategic initiatives have enabled our Building Products division to outperform growth rates in the UK construction sector by around 3% per annum over the last five years, see page 7.

In view of the actions being taken to exploit the organic growth and synergistic opportunities described above, management believes Alumasc can continue to outperform forecast UK construction market growth over the coming years.

Performance overview

Once again, the Board is pleased to report the group's highest annual profit from continuing operations since 2007/08. Underlying profit before tax advanced to £8.4 million compared with £7.2 million in 2013/14, an increase of 16%.

This improved performance was driven entirely by our building products activities, with every operating segment in the building products division recording better results than a year ago.

Group revenues from continuing operations increased by 10% to £98.1 million (2013/14: £88.9 million), driven by a £10.0 million increase in Building Products revenues partly offset by a £0.8 million reduction in Dyson Diecastings' revenues.

The group's underlying operating profit increased to £9.0 million (2013/14: £7.8 million) and operating margins improved to 9.2%, some 0.5 percentage points above the prior financial year, as sales revenue growth allowed better leverage of Building Products' overheads.

Interest costs on borrowings were similar to the prior financial year. However, net bank financing charges in total were a little higher than in the prior year at £0.6 million due to the accelerated amortisation of banking fees as we completed our routine refinancing of the group (discussed in the Financial Review) earlier than anticipated.

The resultant group underlying profit before tax from continuing operations improved to £8.4 million (2013/14: £7.2 million).

Total profit for the year (after discontinued operations and tax) improved from £4.0 million in 2013/14 to £4.4 million in 2014/15. A reconciliation between underlying profit before tax and profit for the year is shown on page 14.

Group cash generation for the year was again strong with EBITDA (earnings before interest, tax, depreciation and amortisation) from continuing operations increasing to £10.6 million (2013/14: £9.1 million). Following the sale of APC just prior to the financial year end, the group finished the year in a debt-free position. A more detailed review of the group's cash flow performance is provided in the Financial Review on page 14.

Earnings per share

Underlying earnings per share from continuing operations improved by 19% to 18.4 pence compared with 15.4 pence in 2013/14, reflecting the higher underlying profit before tax combined with a reduction in the group's underlying tax rate from 24% to 22% in line with the reduction in UK corporation tax rates. The number of shares in issue was unchanged in the year.

Basic earnings per share from continuing operations increased from 13.4 pence to 15.0 pence, reflecting improved underlying profits and also higher non-cash pension scheme financing costs calculated under IAS19.

Basic earnings per share (after discontinued operations) improved by 9% from 11.3 pence to 12.3 pence.

Future prospects

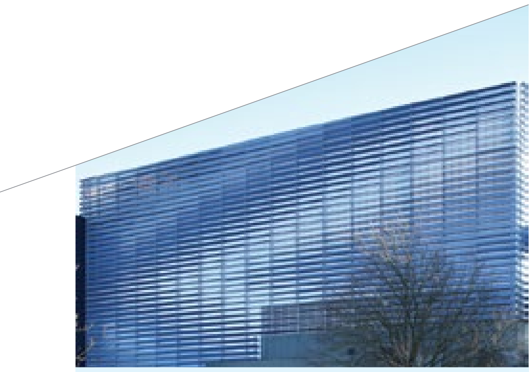
The group's order books at 30 June 2015 were £26.5 million, 27% ahead of 30 June 2014.

Whilst the timing of larger construction contracts can impact the outcome in any one year, and two large multi-million pound contracts (Kitimat and Chiswick Park Building 7) completed in the second half of 2014/15, Alumasc is increasingly well positioned to benefit from the current forecast growth in both the UK economy and UK construction output.

Dividends

In view of the improved results for the year and the exit from APC, the Board is proposing an increased final dividend of 3.5 pence per share (2013/14: 2.8 pence), to be paid on 28 October 2015 to shareholders on the register on 2 October 2015. This would give a total dividend for the year of 6.0 pence per share (2013/14: 5.0 pence), an increase of 20%. The Board confirms its previous intention to grow the dividend broadly in line with the growth in underlying earnings, having regard to the cash required to invest in the business to support delivery of the group's growth ambitions and its pension scheme funding commitments.

Strategic Report
Chief Executive's Review of Operations



Levolux Helps Suffolk Go Green

A bold new 'Energy from Waste' facility in Great Blakenham, Suffolk is having a surprisingly positive impact on the Suffolk landscape, thanks to an Aerofoil Fin screening solution from Levolux.

Designed by Grimshaw Architects to achieve a BREEAM 'Excellent' rating, the new facility processes almost 260,000 tonnes of household and business waste each year to generate sufficient electricity to power the equivalent of 30,000 homes.

With an unrivalled track record, Levolux was ideally equipped to design an external screening solution that would give the facility an attractive external aesthetic that mimics the formation of clouds passing across the Suffolk sky.

To read more visit:
http://goo.gl/MSz0KP

Energy management brands

Health and safety

The group's number one priority continues to be to provide a safe place of work for our employees. Further progress has been made during the year in ensuring our strong health and safety ethos is fully embedded throughout our businesses. Our principal health and safety KPI, the performance rate index defined on page 18, improved to 3.76 from 4.92 in the previous year. This reflected a reduction in both the number and the severity of incidents, particularly in the higher risk engineering businesses. The improvement in health and safety performance over the last year is consistent with longer term trends resulting from prioritisation, focus and the continuous improvement actions taken by both management and employees over many years. There were further successes in identifying near miss incidents during the year and we are using this information to take action to prevent potential future accidents. Our recent initiative of strengthening risk assessments, safe systems of work and training in those areas of our businesses judged to be those capable of causing the most serious incidents is now almost complete.

Review of operations – continuing operations

Building Products division

Divisional revenues grew by over 12% to £90.3 million (2013/14: £80.4 million) and underlying operating profit grew 23% to £9.8 million from £8.0 million. Divisional operating margins improved to 10.8% from 9.9% in the prior year, benefiting from revenue growth and the impact of operational gearing.

Profits improved year on year in all operating segments in the division.

Solar Shading and Screening

Levolux is a late cycle business, with most of its revenues generated from the new build commercial market sector, which has only recently begun to recover from the recession of a few years ago. Against this background, Levolux's revenues for the year remained similar to the prior year at £16.0 million.

Despite this, Levolux's profit nearly doubled year on year to £0.9 million as the execution of construction contracts was consistently well managed across the portfolio, leading to a good project margin performance. Results also benefited from the successful delivery of a multi-million pound solar shading solution to the final building at Chiswick Park in West London. Overheads were reduced, benefiting from the "One Levolux" initiative which merged the two former Levolux businesses into one, under a common management structure with a single set of business processes.

Levolux continues to gain traction in North America where it is building a reputation not only in solar shading but also in assisting architects and building owners to achieve innovative design solutions. Repeat business is now being secured in the North-East of the USA, California, Texas, the area around the Great Lakes and in Canada. Additional sales resources are being added in 2015/16 to build on this positive momentum. North American sales are expected to be in excess of 10% of Levolux's revenues in the current financial year. We also plan to add dedicated sales resource in the Middle East.

Encouragingly, order intake in the 2014/15 financial year exceeded expectations and was some 18% ahead of the prior year. At 30 June 2015, Levolux's closing order book was £15.6 million, 19% up on a year previously, with £2.1 million of that order book expected to convert into revenue beyond the current financial year. Some of the additional orders received relate to a new range of balcony products introduced during the year. These have attracted an encouraging initial level of customer interest.

However, in the absence of any notable large project wins that will benefit the current 2015/16 financial year, we believe that the more significant recovery in this business, now being evidenced by improving order intake, remains some twelve months away.

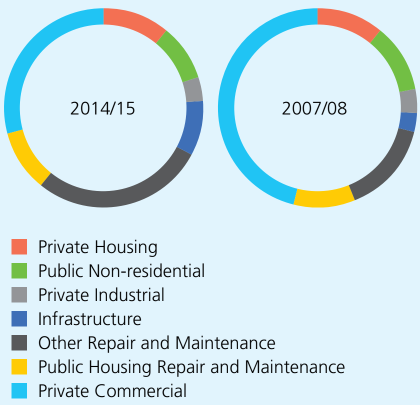
Roofing and Walling

This was the group's best performing operating segment in the year, with revenues increasing by 22% to £32.8 million and underlying operating profit growing by 28% to £3.8 million. This result was achieved despite a significant year on year reduction in both revenues and profits from the large Kitimat smelter refurbishment project in Canada, which was very close to completion at 30 June 2015.

Our roofing business has transformed its performance over the last three years from a loss making operation to one that is now strongly profitable. This has been achieved through strong sales volume growth, following an increase in the number of high calibre managers, sales and commercial personnel, who have enabled us to introduce new products, systems, services and solutions. These include the resurgent Euroroof-branded portfolio of waterproofing solutions targeted at refurbishment markets; the Alumasc BluRoof storm water management solution; The Alumasc Quality Promise; and the Surefoot range of roofing support systems.

Strategic Report 01 - 19
Governance 20 - 40
Financial Statements 41 - 93

Building Products' divisional revenue analysis by end user market



These developments have allowed greater penetration of refurbishment as well as new build end user markets, with a growing presence in the more active markets of London and the South East of England. In addition, the former Blackdown green roof and Roof-Pro roofing support businesses are now fully integrated as brands within our larger roofing business, facilitating a more effective systems selling approach across the portfolio, generating both revenue and cost synergies.

Our Facades business had a record year, benefiting from strong demand in Scotland under the HEEPS funding regime, which is providing financial support for the refurbishment of hard to heat homes mainly in the social housing refurbishment sector. Action is being taken to develop the presence of Alumasc's Facades business in new build and specification markets in order to reduce exposure to potentially volatile refurbishment demand dependent on government funding, particularly against a background of significant cuts to the Eco and Green Deal schemes in England and Wales. Initial projects involving the new Alumasc Ventilated System, developed over the last year, have been very encouraging and this system should help us to win work in the timber frame housing market in the current financial year.

Rainwater, Drainage and House Building Products

This segment grew overall revenues by 11% to £23.9 million and underlying operating profit by 5% to £3.0 million. The level of incremental profit drop through from the additional sales was impacted by capacity issues in the first half of the 2014/15 financial year. These short term issues are now resolved, although these businesses will require investment in larger facilities to support further planned growth in the coming years.

Our Rainwater & Drainage business had another successful year, driven by strong growth in sales from the Harmer drainage brand, benefiting from new cast iron and steel products added to the range and new sales and commercial personnel who have joined the business over the last year. Additional products are currently being introduced to further complement the existing range and to allow the business to better access the civil drainage market. These include the Harmer SML Below Ground and Gatic Filcoten channel drainage ranges. Gatic Filcoten is a modern, high quality fibre-reinforced composite product, which provides a number of benefits relative to traditional concrete solutions, including improved tensile strength and recyclability.

The combination of the requirements of the Flood and Water Management Act 2010, evolving customer needs and Harmer's widened product range have provided the ideal opportunity for Alumasc to offer a more holistic approach to providing specifiers and end users with integrated solutions. Therefore a new umbrella brand, Alumasc Water Management Solutions ("AWMS"), was launched on 1 July 2015 to combine and leverage the strengths of the Skyline fascia, soffit and copings; Alumasc Rainwater; Harmer building drainage and Gatic civil drainage brands, supported by combined sales, commercial and technical resources. This is an exciting example of the type of organic growth and synergistic opportunity identified in the Strategic Review during the year. Further detail on AWMS is given in the caption to the right.

Alumasc Rainwater delivered another year of growth, including increased sales of pre-painted aluminium gutters, which reduce overall life cycle costs to customers, and increased penetration of the contemporary and bespoke markets for rainwater and related goods.

In view of increasing physical capacity constraints, and given the two year transitional arrangement we have agreed regarding the relocation of AWMS, currently co-located on the property sold together with APC in June, we are taking the opportunity to invest in a new purpose built factory. This will also have capacity to incorporate Alumasc Roofing's operations and logistics functions, increasing the potential to achieve warehousing and logistics synergies. The associated capital investment is expected to be around £10 million over the next two years.

Alumasc Water Management Solutions

Alumasc Water Management Solutions (AWMS) is the new name in the industry for proven water management. It is a new holistic brand that harnesses the expertise of four trusted brands in water management:

- Skyline fascia, soffit & copings;
- Alumasc Rainwater gutters & downpipes;
- Harmer building drainage; and
- Gatic civil drainage.

To read more visit:
www.alumascwms.co.uk

Water management & other brands

ALUMASC™ WATER MANAGEMENT SOLUTIONS
SKYLINE® FASCIA SOFFIT COPINGS
ALUMASC RAINWATER™ GUTTERS AND DOWNPIPES
HARMER® BUILDING DRAINAGE
GATIC® CIVIL DRAINAGE
timloc building products
SCP Access, Support & Site Safety Solutions
Rainclear Systems

Strategic Report
Chief Executive's Review of Operations

Dyson Diecastings

Dyson Diecastings is a highly respected business in its niche, with a reputation for excellence in engineering. Following a year of transition as we refreshed the management team, Dyson is now well positioned for profitable growth.

Rainclear, the specialist distributor of Rainwater products that was acquired by Alumasc in 2012, reported a record profit in its first full year under new Alumasc management, following the planned departure of the former owner and founder of the business in 2014. Rainclear continues to develop its web-based sales, whilst also growing sales through its traditional independent merchant base.

Timloc, Alumasc's house building products business, also delivered another record year of revenue and profit, benefiting from the further introduction of new products into its established distribution channels, and through increased penetration of markets in London and the South East. In view of challenges in the first half of the year in managing this growth, caused by physical capacity constraints in its existing premises near Goole, and with existing property leases due to expire in the next two years, it has been decided that Timloc also needs new premises to support future growth. Therefore, Timloc will relocate from two existing sites to a single new leased facility, close to the M62 near Goole in 2017. This will enable it to consolidate all its operations under one roof providing a platform to continue its track record of sales growth and improvement in operational efficiency.

Construction Products

Divisional revenues increased by 13% to £17.5 million and operating profit by 25% to £2.1 million.

Gatic had a strong year both in domestic and overseas markets, including a major project at Doha port. It is currently completing another significant contract at London Gateway, following a successful initial project there two years ago. After a slow start to the 2014/15 financial year, Slotdrain sales into the domestic market improved markedly in the second half. Alongside Alumasc Rainwater & Drainage, Gatic will also now benefit from the new Alumasc Water Management Solutions brand, including the ability to sell the new SML below ground and Filcoten products as part of its own range and enabling the ProSlot product launched last year to be sold through Harmer's established distribution channels.

In the USA, new Gatic drainage products, including a grated system, were successfully launched in April. The initial market reaction has been positive. We are hopeful that 2015/16 will be the year in which Gatic gains some real traction in the USA.

Scaffold and Construction Products had another successful year, growing revenues and profits once again. It benefited from new product introductions and broadening distribution channels.

Dyson Diecastings

The 2014/15 year was one of transition for Dyson as a number of key managers retired and replacements were recruited. Dyson's revenues reduced by 9% to £8.1 million, much of this reflecting the non-recurring impact of the initial stocking of a new product line by a customer in the first half of the previous financial year. Lower revenue led to a reduction in operating profit to £0.7 million from £1.1 million, after one-off charges of £0.1 million relating to the establishment of the new management team. Dyson is a strong business within its niche and management expects to be able to improve profitability in the current financial year, predicated on a combination of:

(a) securing new business including some known transfer work; and
(b) operational efficiencies including better production planning, capacity management and modest investment in the foundry.

Review of operations – discontinued operations

Discontinued operations comprise APC, sold in June 2015; and Pendock Profiles, sold in September 2014.

APC

Consistent with group strategy, the APC business, including the freehold property from which it operates, was sold for gross sales proceeds of £5.8 million on 26 June 2015. APC's legacy defined benefit obligations to the Alumasc Group Pension Scheme remain within the continuing group.

The overall level of pre-tax losses relating to APC in 2014/15 was £3.0 million comprising a lower level of operating losses, costs of settling the customer claims described in our interim report, a small loss on sale and the costs of selling the business.

Further detail is provided in note 6 to the financial statements.

Pendock Profiles

Pendock Profiles made a small trading profit prior to its sale in September 2014. The gross sales proceeds of the business were £1.5 million. The value of net assets sold was £0.6 million and after transaction costs of £0.1 million, the book gain on sale was £0.8 million.

Paul Hooper
Chief Executive

Financial Review

Cash generation was strong, with group EBITDA from continuing operations increasing to £10.6 million (2013/14: £ 9.1 million) reflecting the increased level of operating profit generated by building products activities.

Andrew Magson
Group Finance Director

Financial KPIs

The group's financial KPIs are summarised in the table below, together with comments on their year on year evolution.

Financial KPIs: Continuing Operations	2014/15	2013/14	Comment/explanation
Year end group order book (£m)	**26.5**	20.9	Increased level of Building Products orders, particularly Levolux
Group revenues (£m)	**98.1**	88.9	Increase in Building Products sales
Underlying operating margin (%)	**9.2**	8.7	Better leverage of Building Products overheads from additional sales
Underlying profit before tax (£m)	**8.4**	7.2	Growth in Building Products operating profit driven by higher revenues
Underlying earnings per share (pence)	**18.4**	15.4	Growth in underlying profit before tax, at a lower underlying group tax rate
Average trade working capital % sales (continuing operations, excluding the Kitimat contract)	**11.9**	11.1	Some investment in working capital to support growth
Reduction in net debt (£m)	**8.6**	–	Sales proceeds from the APC and Pendock business disposals in 2014/15, in addition to free cash flow generation from continuing operations, resulted in a strong overall cash inflow and a debt free position at the year end
Year-end net cash/(debt) (£m)	**0.9**	(7.7)	
Year-end shareholders' funds (£m)	**15.9**	17.0	Pension scheme actuarial losses exceeded retained profit after tax
Return on investment (post-tax)* (%)	**19.9**	13.4	Grew substantially due to the disposal of the loss making and relatively more capital intensive APC business, and due to improved operating profit from continuing operations

* From continuing operations in 2014/15 to better illustrate the impact of the disposal of APC.

Strategic Report
Financial Review

A Strong Performance from Alumasc Facades

Alumasc Facades had a record year. Together with our roofing business it formed part of Alumasc's strongest performing operating segment in 2014/15 and was a major contributor to group cash flow.

Summarised Cash Flow Statement

	2014/15 £m	2013/14 £m
Continuing operations:		
EBITDA*	**10.6**	9.1
Underlying change in working capital	**0.1**	(0.3)
Short term changes in working capital on large construction contracts	**(0.5)**	(1.1)
Operating cash flow from continuing operations	**10.2**	7.7
Capital expenditure	**(1.2)**	(1.1)
Pension deficit & scheme expenses funding	**(2.9)**	(2.4)
Interest	**(0.4)**	(0.5)
Tax	**(0.9)**	(1.1)
Dividends	**(1.9)**	(1.7)
Operating and investing cash flows from discontinued operations	**(0.4)**	(0.6)
Net sales proceeds from APC and Pendock Profiles	**6.2**	–
Other	**(0.1)**	(0.3)
Reduction in net debt	**8.6**	–

* EBITDA: Underlying earnings before interest, tax, depreciation and amortisation.

Reconciliation of Underlying Profit Before Tax to Profit for the Year

	2014/15 £m	2013/14 £m
Underlying profit before tax from continuing operations	**8.4**	7.2
IAS19 pension costs	**(1.1)**	(0.9)
Brand amortisation	**(0.3)**	(0.3)
Profit before tax from continuing operations	**7.0**	6.0
Discontinued operations:		
Alumasc Precision Components	**(3.0)**	(1.2)
Pendock Profiles	**0.8**	0.3
Tax expense	**(0.4)**	(1.1)
Profit for the year	**4.4**	4.0

Cash flow and net debt
The group's cash flow performance is summarised in the table above. The sale of APC on 26 June 2015 allowed the group to repay its remaining net indebtedness, thereby putting Alumasc in a modest net cash position of £0.9 million at the year end.

Cash generation was strong with group EBITDA from continuing operations increasing to £10.6 million (2013/14: £9.1 million), reflecting the increased level of operating profit generated by building products activities. Tight control was maintained over working capital. Average trade working capital as a percentage of sales (excluding short-term working capital movements relating to the large Kitimat construction contract as it neared completion) increased modestly to 11.9% reflecting some inventory build during the year to support ongoing growth. The final Kitimat project milestone payment of £1.1 million, relating to work completed in the 2014/15 financial year, is expected to be received in the 2015/16 financial year.

Capital expenditure and capital investment plans
Capital expenditure related to continuing operations of £1.2 million in the 2014/15 financial year was broadly in line with the prior year level. Following relatively low levels of capital spend during the period when the group was recovering from the recession of a few years ago, demand for capital spend across Alumasc is now increasing to support the anticipated ongoing growth in the business. Capital spend in the current financial year is expected to be in the range of £2-3 million including tooling for new product development. This is prior to the anticipated £3-4 million spend as part of the overall £10 million investment in the new facility for AWMS and Alumasc Roofing to be built near Kettering.

+17%

EBITDA* increased 17% to £10.6m (2013/14: £9.1m)

+20%

Order intake increased by 20% to £111.4m (2013/14: £93.2m)

+49%

Post tax ROI increased to 20% from 13% in 2013/14

* EBITDA: Underlying earnings before interest, tax, depreciation and amortisation.

Taxation
The group's underlying tax rate reduced from 24.2% in 2013/14 to 22.0% in 2014/15, broadly in line with the UK statutory rate. The reduction in the group's total tax charge to £0.4 million (2013/14: £1.1 million) reflected the impact of business disposals where gains on the sale of assets were shielded by indexation allowances and capital losses brought forward.

Pensions
The group's defined benefit pension deficit calculated under IAS19 conventions for accounting purposes increased during the year to £20.9 million (30 June 2014: £17.9 million). This mainly reflects the further reduction during the year in AA corporate bond yields which are used to discount future pension liabilities to present values under IAS19's methodology. Each 10 basis point change in yields impacts the present value of the group's pension liabilities (up or down) by £1.7 million. Corporate bond yields did begin to rise once again towards the end of the financial year.

The base level of pension deficit reduction payments agreed with the Pension Trustees, following the 2013 triennial actuarial review will remain unchanged in the 2015/16 financial year at £2.5 million, plus scheme running expenses and PPF levy payments of circa £0.5 million. However, prior to the results of the forthcoming 2016 triennial review being concluded, Alumasc has agreed to make an additional one-off cash payment to the pension schemes at a rate of 25% of any amount by which group underlying profit before tax exceeds £8.4 million in the year ending 30 June 2016.

The group is working on a number of initiatives to reduce gross pension liabilities, improve pension scheme investment performance at an acceptable level of risk, and to reduce pension scheme administration costs.

Capital structure, capital invested and shareholders' funds
The group defines its capital invested as the sum of shareholders' funds, bank debt and the pensions deficit (net of tax).

Capital invested remained broadly stable during most of the year at just under £40.0 million, but reduced to £31.8 million just ahead of the 30 June 2015 year end following the receipt of proceeds from the sale of APC.

Post tax returns on investment from continuing operations grew significantly during the year to 19.9%, compared to the 13.4% reported in the prior year mainly as a result of the sale of APC, which was both a loss making business and relatively capital intensive, and also as a result of the growth in the operating profits of the Building Products division.

Year end shareholders' funds decreased from £17.0 million at 30 June 2014 to £15.9 million at 30 June 2015, as actuarial losses on defined benefit pension schemes exceeded the retained profit after tax for the year.

Going concern
The Board's assessment of going concern is set out on page 48.

Re-financing and banking facilities
As described in more detail in note 22 to the financial statements, the group has recently entered into a five year, £30 million revolving credit facility ("RCF") with its existing relationship banks, Barclays and HSBC. This facility will be sufficient to allow the group to fund its organic growth plans, including the property investment near Kettering, and potential acquisitions should the right opportunities arise at a relevant price. The new RCF is structured as an accordion facility, whereby £12.5 million is currently formally committed and the remainder available as needed but subject to final credit approval from the banks at the relevant time.

In view of the group's low current borrowing requirements, this structure will give Alumasc the flexibility it needs, and avoid significant commitment fees being incurred on unutilised facilities, some of which might not be needed.

The RCF is unsecured, but is subject to similar cross-guarantees between the group and subsidiary companies as those contained in its predecessor facility. Loan covenants remain unchanged: EBITDA interest cover of at least 4 times and a net debt to EBITDA ratio of less than 3 times.

In addition to the RCF, the group has recently renewed for one year its overdraft facilities of £3 million. These are repayable on demand.

Goodwill impairment reviews
The Board conducted goodwill impairment reviews at the financial year end. No impairments were identified. Further information on the impairment reviews is given in the Audit Committee report on page 29 and in note 14 to the group financial statements.

Business risk and internal control
A summary of the group's principal risks and mitigating controls is set out on pages 16 to 17.

As evidenced by the results of internal and external audits, the group's internal financial controls strengthened further during the year, reflecting continuous improvement activities.

Andrew Magson
Group Finance Director

Strategic Report
Principal Risks and Uncertainties

Risks	Mitigating actions taken
Loss of key employees *Comment* *Generally staff turnover is low.*	• Market competitive remuneration and incentive arrangements. • Changes in numbers of people employed monitored in monthly subsidiary board meetings, with staff turnover a KPI in most businesses. • Key and high potential employees identified and monitored on a local and group basis. • Focused training and development programmes for key and high potential people. • Exit interviews held for senior people who leave the business, with learning points shared.
Product/service differentiation relative to competition not developed or maintained *Comment* *Innovation and an entrepreneurial spirit is encouraged in all group companies.*	• Devolved operating model with local management responsible for identifying opportunities and emerging niche market trends. • Group-wide innovation best practice days are held annually. • Innovation and new product development workshops held regularly in most group companies. • Annual group strategic planning meetings encourage innovation and "blue sky" thinking, with group resources allocated and prioritised as appropriate to support approved ideas.
Economic and market risks *Comment* *Alumasc is a UK-based group of businesses with the majority of group sales made to the UK construction sector.*	• Develop and retain strong management teams (see above). • Ensure Alumasc products are market leading and differentiated against the competition to improve specification and to protect margin (see above). • Develop export sales (particularly in North America, the Middle East and Far East). • Increasing sales to the more resilient building refurbishment (relative to new build) markets. • Increasing mix of UK sales towards the stronger London & South East regional markets.
Risk of loss of customers *Comment* *Generally good track record of customer retention.*	• Develop and maintain strong relationships through regular contact and seeking always to provide superior products, systems, solutions and service. • Good project tracking and enquiry/quote conversion rate tracking. • Increasing use of, and investment in, customer relationship management (CRM) software.
International Business Development risk *Comment* *International business development plans might take longer to succeed than initially anticipated or, in some instances, not succeed as intended.*	• Group board involvement in export development programme planning and monitoring. • Monthly agenda item (where relevant) in Operating Company board meetings. • Employ people with knowledge of both local markets and our products/systems. • Take appropriate UK and local professional advice. • Regular monitoring/tracking of progress against plans and forecasts, adapting management action accordingly (for example recent widening of the product range in Gatic USA).
Pension obligations *Comment* *Alumasc's pension obligations are material relative to its market capitalisation and net asset value.*	• Continue to grow the business so the relative affordability of pension contributions is improved over time. • Maintain a good, constructive and open relationship with Pension Trustees. • Meet agreed pension funding commitments. • Pension scheme management is a regular group board agenda item. • Use of specialist advisors on both actuarial and investment matters. • Monitor and seek market opportunities to reduce gross pension liabilities.
Health and safety risks *Comment* *The group has a strong overall track record of health & safety performance, with the number of lost time accidents significantly reduced over the last 10 years.*	• Health and safety is the number one priority of management and the first agenda item on all subsidiary and group board agendas. • Risk assessments are carried out and safe systems of work documented and communicated. • All safety incidents and significant near misses reported to board level. Appropriate remedial action taken. • Group health & safety best practice days are held twice a year, chaired by the Chief Executive. • Annual audit of health and safety in all group businesses by independent consultants. • Specific focus on improving health and safety in higher risk operations. • All safety incidents and near misses reported monthly.

Risks	Mitigating actions taken
Product warranty/recall risks *Comment* *The group has a good track record with regard to the management of these risks and does not have a history of significant claims.*	• Robust internal quality systems, compliance with relevant industry standards (eg ISO, BBA etc) and close co-operation with customers in their design and specification of the group's products. • Group insurance programme to cover larger potential risks and exposures, where available. • Back to back warranties from suppliers, where appropriate. • Seek to manage contractual liabilities to ensure potential consequential losses are minimised and proportionate, and overall liabilities are capped, where possible. • Specific local risk management procedures in group brands that install, assemble and supply building products (Levolux, Blackdown).
Reliance on key suppliers *Comment* *Whilst the group does not have undue concentration on any single or small group of suppliers, certain Alumasc businesses do have key strategic suppliers, some of whom are located in the Far East.*	• Annual reviews of supplier concentration as part of strategic planning/formal business risk review process, with alternative suppliers sought and developed where practicable. • Regular visits to key suppliers, good relationships maintained and quality control checks/ training carried out. • Regular reviews as to whether work should be brought back to the UK (or elsewhere) as economic conditions evolve.
Loss of key production facilities/business continuity *Comment* *The group has not experienced any significant loss of production facilities causing business continuity issues. Whilst the likelihood of a catastrophic loss is low, the impact if it were to happen could be high.*	• Business continuity plans prepared at subsidiary level, having regard to specific risk factors. • Advice is being taken from insurers on continuous improvement of these plans. • IT disaster recovery plans are in place, with close to real time back up arrangements using either off-site servers or cloud technology. • Critical plant and equipment is identified, with associated breakdown/recovery plans, including assessment of engineering spares held on site.
Strategic development and change projects *Comment* *There are execution risks around a number of current strategic change projects, including the establishment of the AWMS brand, the relocation of AWMS and Timloc to the new properties in 2017 and various ERP systems implementations.*	• Key strategic change projects are governed by Steering Committees sponsored by the managing director of the business, with group executive director involvement, supported by independent specialist consultants where necessary particularly IT and property. • Risk reviews conducted and updated regularly. • Project plans established and monitored monthly. • Project boards established. The project manager reports to the Steering Committee. • Use of proven, reliable software solutions and avoidance of bespoking wherever possible. • Careful documentation and challenge of legacy business processes prior to implementation of new systems. • Pre-implementation testing, training and communication, with go-live delayed if implementation risk is judged to be too high.
Credit risk *Comment* *The group has a generally good record in managing credit risks. Risks are higher amongst smaller building contractor customers, who are often installers of the group's products.*	• Most credit risks are insured. • Large export contracts are backed by letters of credit, performance bonds, guarantees or similar. • Any risks taken above insured limits in the Building Products division are subject to strict delegated authority limit sign offs, including group executives' sign off for risks above £50k. • Credit checks when accepting new customers/prior to accepting new work. • The group employs experienced credit controllers, and aged debt reports are reviewed in monthly Board meetings.

Strategic Report
Corporate and Social Responsibility

Committed to Sustainability

Many of our building products businesses are strongly focused on providing effective solutions to enhance sustainability in the built environment. The group has established leading positions in energy and water management, through brands such as Alumasc, Levolux, Harmer, Gatic and Blackdown. We also work with Carbon Footprint Ltd, the carbon and sustainability management specialists to help us to seek to reduce emissions over time.

Health and Safety

The group's number one priority continues to be to provide a safe place of work for employees, and health and safety remains the first agenda item for all subsidiary and group board meetings. The majority of directors and many senior managers within the group have been trained to Institution of Occupational Safety and Health (IOSH) accreditation standard. The group holds regular health and safety best practice days. In addition, each group business has local health and safety committees that meet regularly and each operation is subject to at least an annual health and safety audit, with consequential action plans being monitored in Board meetings. Each operational location is subject to an annual Independent Environmental Compliance audit.

Further progress has been made during the year in ensuring our strong health and safety ethos is fully embedded throughout our businesses. Our principal health and safety KPI, the performance rate index* improved to 3.76 from 4.92 in the previous year. This reflected a reduction in both the number and severity of incidents, particularly in the higher risk engineering businesses. The improvement in health and safety performance over the last year is consistent with longer term trends, resulting from prioritisation, focus and continuous improvement actions taken by both management and employees over many years. There were further successes in identifying near miss incidents during the year and we are using this information to take action to prevent potential future accidents. Work is now largely complete in our recent initiative of strengthening risk assessments, safe systems of work and training in those areas of our businesses judged to be those capable of causing the most serious incidents.

Environment

Many of our building products businesses are strongly focused on providing effective solutions to enhance sustainability in the built environment. The group has established leading positions in energy and water management, through brands such as Alumasc Water Management Solutions, Levolux and Gatic. We are committed to complementing this leadership by adopting environmentally sound business practices throughout our operations.

Subscription to the BREEAM Points System, as a framework for analysis and scoring, allows the designer to differentiate between those products with true sustainable credentials and those not achieving the benchmark. Indicative ratings for building materials given in the BRE Green Guide to Specification also allows designers to choose those products or construction methods that will be most beneficial in contributing to a high BREEAM points score. Alumasc is able to offer a wide variety of A+ rated solutions that allow designers and specifiers to achieve the highest standards of sustainability and make BREEAM 'Excellent' and 'Outstanding' designs eminently possible.

Levolux is well-placed to contribute to the Green Building Council's campaigning. Its products are fully recyclable and help maintain a naturally cool and energy efficient environment.

Our programme of environmental audits, carried out by external consultants, has continued through the year. These audits are designed not only to highlight areas in which we can improve, but also to form a basis for our achieving ISO14001 accreditation in a number of our businesses. ISO14001 establishes a framework

alumasc

LEVOLUX DESIGNED TO CONTROL

blackdown greenroofs

ALUMASC™ WATER MANAGEMENT SOLUTIONS

GATIC Specialised Engineering. Special Advice.

Carbon and sustainability credentials

carbon footprint™

* The performance rate index is a relative measure capturing the total number of lost time and other safety incidents, weighting each one in terms of its severity and relating the result to the overall number of hours worked.

Global Green House Gas emissions data

Total Group Emissions	Tonnes of CO_2e Continuing operations	2014/15 All operations	2013/14 All operations
Scope 1: Combustion of fuel & operation of facilities	3,038	7,413	6,760
Scope 2: Electricity, heat, steam and cooling purchased for own use	2,847	6,976	7,677
Scope 3: Other transport related activities and electricity transmission & distribution	544	891	1,044
Scope 1 & 2 emissions normalised per employee	12	20	19
Scope 1 & 2 emissions normalised per £ million turnover	59	124	127

of control for an Environmental Management System, against which an organisation can be certified by a third party.

The group has an ongoing programme to monitor progress against a number of criteria against which improvements in environmental performance can be measured in operating businesses. This programme has delivered continuous year-on-year improvements against measures from the use of recycled paper to energy usage and efficiency.

As new environmental regulations come into force, the group takes active steps to comply. We continue to ensure compliance with the REACH Regulations on the manufacture and import of chemicals in the EU.

All operational sites segregate their process waste to allow direct recovery and recycling. Our obligations to recover and recycle packaging waste are discharged by membership of an independent compliance scheme operated by Valpak.

Carbon management
We recognise that improving our energy consumption, particularly within our more energy-intensive operations in the Engineering Products division, is a key way in which we can improve both our environmental and financial performance. This success has been driven by investments in more energy-efficient equipment and improvements in management practices. Prior to the sale of APC in June 2015, our two foundry sites continued the improvements they began in 2001, targeting and achieving energy savings each year to benefit from rebates on their electricity bills under Climate Change Levy agreements.

Greenhouse gas ("GHG") emissions
The group works with Carbon Footprint Ltd, the carbon and sustainability management specialists, as part of its commitment to continuously improve our environmental and sustainability credentials.

With the sale of Alumasc Precision in June 2015 the ongoing emissions produced by the group will reduce due to the high energy consumption integral to APC's manufacturing process. This is illustrated by the analysis of emissions from continuing and all operations above.

Sustainability
The wider group is well positioned to benefit from environmentally-driven changes in policy and regulation. In particular, the growing awareness of sustainability and life-cycle cost amongst building and construction specifiers should assist those group businesses that assist their customers to manage energy and water use in the built environment.

Community
In addition to the wider community benefits arising from our environmental programme, the group is committed to supporting local community initiatives and a number of charitable donations have been made throughout the year as described in the Directors' Report on page 25.

Human Rights
As Alumasc comprises a number of relatively small businesses operating from the UK and exporting to mainly developed countries, the Board does not consider it necessary for the group to have a formal human rights policy. However, Alumasc has long had a culture of seeking to treat people fairly and of being honest and straightforward in its business relationships. The group's policies on the related topics of equal rights employment policies, communication with employees, our business ethics policy, our anti-bribery and corruption policy and our whistleblowing policy are detailed elsewhere in this Annual Report.

Gender Analysis
An analysis of our employees by gender appears to the right:

Alumasc Water Management Solutions

Alumasc Heritage cast iron rainwater products were used as part of the refurbishment of the clubhouse at the Royal Liverpool Golf Club, Hoylake.

Role	Male	Female
Non-Executive Director	6	0
Executive Director	2	0
Senior managers	42	7
Employees	388	122
	438	**129**

Governance
Board of Directors and Company Advisors

Chairman

John McCall MA (Cantab)
Chairman [a]

Appointed: 1984
Experience: John McCall was appointed Chairman and Chief Executive on the foundation of the company in 1984.
He was called to the Bar in 1968. His previous employment was with the mining finance house Consolidated Gold Fields plc with whom he gained extensive international experience in the fields of mining and construction materials.

Deputy Chairman

Jon Pither MA (Cantab)
Deputy Chairman [abc]

Appointed: 1992
Experience: Jon Pither holds directorships in numerous companies and is a past council member of the CBI and a past President of The Aluminium Federation. He is the Senior Independent Non-Executive Director on the Alumasc Board.

Executive Directors

Paul Hooper BSc, MBA, DipM
Chief Executive

Appointed: 2003
Experience: Paul Hooper joined Alumasc as Group Managing Director in April 2001. His earlier career included a first Managing Director role with BTR plc in 1992. He subsequently joined Williams Holdings plc in Special Operations, implementing acquisitions in Europe and North America, prior to joining Rexam PLC as a Divisional Managing Director with responsibility for operations in Europe and South East Asia.

Andrew Magson BSc, FCA
Group Finance Director
and Company Secretary

Appointed: 2006
Experience: Andrew Magson spent his earlier career in the business assurance and corporate finance practices of PwC, where he qualified as a chartered accountant. He subsequently held a number of senior finance roles, including group financial controller at BPB plc and divisional financial controller at Saint Gobain.

Committees:
[a] Nomination Committee.
[b] Audit Committee.
[c] Remuneration Committee.

Non-Executive Directors

Philip Gwyn MA (Cantab)
Non-Executive Director abc

Appointed: 1984
Experience: Philip Gwyn was called to the Bar in 1968 and after a period with merchant bankers, Dawnay, Day & Co, started to invest in businesses in which he was involved in executive and non-executive capacities. These include Christie Group plc (currently Chairman), The Soho Group (Chairman from 1990 to 2001), GrandVision SA., a French retail group, of which he is a founder director, and other UK enterprises.

Richard Saville BSc
Non-Executive Director abc

Appointed: 2002
Experience: Richard Saville's early career was in the City, where he became a partner of Phillips & Drew in 1980 and a Director of Morgan Grenfell Securities in 1987. He joined George Wimpey plc in 1988 becoming Group Finance Director at the beginning of 1994, a position he held until May 2001. After 2001 he served for a time as Director of Finance of Halfords plc and at Craegmoor Limited. He is currently a director of a number of companies.

David Armfield LLB
Non-Executive Director bc

Appointed: 2014
Experience: David Armfield began his career as a solicitor at Wilde Sapte, moved to Lehman Brothers in its Investment Banking group in 1987 and later became a partner at PwC, where he led their industrial corporate finance team. David became a founding partner of Kinetix Corporate Finance LLP in 2010, which provides corporate finance advice to the clean technology and environmental sustainability sectors.

John Pilkington MA (Cantab)
Non-Executive Director bc

Appointed: 2009; **Resigned:** 2015
Experience: John Pilkington spent his career working in the construction industry, most recently at Amey UK plc from 2000 to 2008, latterly as an Executive Director responsible for PFI Investments. He is currently the Executive Chairman of Spring Rehabilitation Centres Limited and a Director of GB Social Housing Limited and a Non-Executive Director of Fortel Construction Group Limited. Having served just over six years, John retired from the Alumasc Board on 3 September 2015.

Registered Office
The Alumasc Group plc
Burton Latimer
Kettering
Northamptonshire NN15 5JP

Tel: +44(0) 1536 383844
Fax: +44(0) 1536 725069
www.alumasc.co.uk
info@alumasc.co.uk
Registered No: 1767387

Registrars
Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Auditors
KPMG LLP
Altius House
One North Fourth Street
Milton Keynes MK9 1NE

Investment Bankers
DC Advisory Partners
5 King William Street
London EC4N 7DA

Bankers
Barclays Bank PLC
Ashton House
497 Silbury Boulevard
Milton Keynes MK9 2LD

HSBC Bank plc
4th Floor
120 Edmund Street
Birmingham B3 2QZ

Solicitors
Freeths LLP
6 Bennetts Hill
Birmingham B2 5ST

Pinsent Masons LLP
3 Colmore Circus
Birmingham B4 6BH

Brokers
Peel Hunt LLP
Moor House
120 London Wall
London EC2Y 5ET

Governance
Directors' Report

The Directors present their Annual Report and the consolidated financial statements for The Alumasc Group plc for the financial year ended 30 June 2015.

Principal activities and business review

The principal activities of the group are the design, manufacture and marketing of products for the building and construction industries and the manufacture of engineering products and components for a variety of industrial markets. A review of the group's operations, future prospects and Key Performance Indicators are included in the Strategic Report on pages 1 to 19.

The following sections are incorporated by reference into the Directors' Report:

- Strategic Report (pages 1 to 19);
- Board of Directors (pages 20 to 21);
- Statement of Corporate Governance (pages 27 to 28);
- Audit Committee Report (pages 29 to 32); and
- Directors' Remuneration Report (pages 33 to 40).

In compliance with the business review provisions of the Companies Act 2006, principal risk factors are discussed under the section "Principal Risks and Uncertainties" on pages 16 to 17. Key Performance Indicators are set out on pages 1 and 13. Information on potential future developments in the group is set out in the "Prospects" sections on pages 5 and 9.

Results and dividends

The group reported underlying profit before tax from continuing operations of £8.4 million (2013/14: £7.2 million) and total profit for the year after tax of £4.4 million (2013/14: £4.0 million). The Directors recommend a final dividend of 3.5 pence (2013/14: 2.8 pence) per ordinary share payable on 28 October 2015 to members on the register at the close of business on 2 October 2015 which, together with the interim dividend, makes a total of 6.0 pence for the year (2013/14: 5.0 pence).

The company operates a Dividend Re-Investment Plan, details of which are available from Capita Registrars.

The right to receive any dividend has been waived by the Trustee of the company's Employee Benefit Trust over any shares that the Trustees may hold from time to time. At the year end, the Trustees' holding was 485,171 shares (2013/14: 485,171). The shares held in Trust are to meet commitments under the company's performance based executive share plans.

Share capital

The present capital structure of the company is set out in note 26 to the group financial statements.

Purchase of own shares by the company

At last year's Annual General Meeting, authority was granted to the Directors to purchase, in the market, the company's own shares, up to the limit of 14.9% of the issued share capital. The authority is expressed to run until the company's next Annual General Meeting at which it will expire. No purchases pursuant to this authority have been made during the year. Renewal of this authority will be proposed at the forthcoming Annual General Meeting. The Directors do not propose to exercise the authority unless satisfied that a purchase would be in the best interest of shareholders and could be expected to result in an increase in earnings per share.

Directors

The Directors who served during the financial year are listed opposite. The biographies of Directors serving at 30 June 2015 are set out on pages 20 to 21.

In accordance with the Articles of Association, Andrew Magson retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

Jon Pither, Philip Gwyn and Richard Saville, having served on the Board for more than nine years, also retire and offer themselves for re-election.

John Pilkington retired from office on the 3 September 2015.

Details of Directors' service agreements are given in the Remuneration Report on page 35.

Directors' share interests

	Shares	
	At 30 June 2015	At 30 June 2014
J S McCall	**4,359,668**	4,359,668
J P Pither	**254,131**	270,131
P H R Gwyn	**3,057,605**	3,057,605
G P Hooper	**104,643**	86,782
A Magson	**25,000**	25,000
J Pilkington†	**12,123**	12,123
R C C Saville	**53,000**	53,000
D Armfield*	**25,000**	nil
W K Walden^	**713,462**	713,462

† John Pilkington retired from the Board on 3 September 2015.

* David Armfield joined the Board on the 1 October 2014.

^ Keith Walden retired from the Board on the 2 September 2014.

The Directors' interests are beneficial with the exception of 434,000 shares (2014: 434,000) in which John McCall has a non-beneficial interest. Details of long term incentive awards and options granted to the Directors can be found in the Remuneration Report on page 40.

There has been no change in the Directors' interests in the share capital of the company from 30 June 2015 to 3 September 2015.

Substantial shareholders

In addition to those of the Directors, the analysis of the company's share register showed the following interests in 3% or more of the company's issued ordinary shares as at 30 June 2015:

	Shares	% of issued share capital
AXA Investment Management	4,959,684	13.73
Delta Lloyd Asset Management	4,279,855	11.84
Estate of E W O'Loughlin Esq (deceased)	1,550,962	4.29
Chelverton Asset Management	1,296,000	3.59
Unicorn Asset Management	1,259,764	3.49
Schroder Investment Management	1,089,167	3.01

The Directors are not aware of any other notifiable interest in the share capital of the company.

Delta Lloyd Asset Management notified the company that on 31 August 2015 their holding was 3,896,332 shares which equates to 10.78% of the issued share capital.

There has been no other change to substantial shareholders since the year end.

Shareholders' statistics

Ordinary shareholders on the register at 30 June 2015:

	Number of shareholders	Ordinary shares Number
Shareholding range:		
1 – 999	390	186,515
1,000 – 9,999	577	1,559,874
10,000 – 99,999	118	3,184,403
100,000 – 999,999	44	13,852,896
1,000,000 and over	8	17,349,870
	1,137	36,133,558

Governance
Directors' Report

Information required for shareholders

The following provides additional information for shareholders as a result of the implementation of The Takeovers Directive into UK law.

The details of the company's share capital structure are given in note 26 to the group financial statements. With the exception of 485,171 ordinary shares held in the employee trust being subject to a waiver of the right to a dividend, all shares carry equal rights and no restrictions other than those imposed from time to time by laws and regulations and pursuant to the Listing Rules of the Financial Services Authority.

Significant interests

Director's interests in the share capital of the company are shown on page 23. Major interests (i.e. those above 3%) of which the company has been notified are also shown on page 23.

Change of control

The group's committed financing facility includes a change of control provision. Under this provision, a change in ownership/control of the company would result in withdrawal of these facilities.

There are no other material agreements which take effect, alter or terminate upon a change of control of the company following a takeover bid.

There are no additional agreements between the company and its Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

Environmental matters

The Board aims to conduct its business so as to minimise as far as practicable any adverse effects that its operations may have on the environment and to find alternative ways of operating where its activities may have an environmental impact. The group requires that each operating business achieves minimum standards of environmental efficiency in accordance with group policy.

The Board is committed to applying best practice environmental standards throughout the business. This is achieved through a variety of methods, including product process development, promoting use of recycled materials, waste minimisation and energy efficiency.

More information regarding the group's approach to environmental matters is given in the Corporate and Social Responsibility Statement on pages 18 and 19.

Health and safety

The Alumasc Group plc places the highest priority on health and safety matters and seeks to achieve high standards for the well-being of its employees. There is a clear group policy to this effect. Achieving an embedded health and safety culture and the reduction of accident risk is the responsibility of management and employees alike.

All operating companies ensure compliance with legislation and have developed and implemented action plans with the objective of achieving continuous improvement in health and safety performance which is systematically reviewed by local management, at group Board level and by independent consultants.

More information regarding the group's approach to health and safety matters is given in the Corporate and Social Responsibility statement on page 18.

Creditor payment policy

While the company does not follow a specific code of practice, it is the company's policy to settle the terms and conditions of payment with suppliers when agreeing each transaction, to make sure that suppliers are made aware of such terms and, providing the supplier meets its contractual obligations, to abide by them. At the year end the company had no trade creditors (2014: none). The group's average number of creditor days as at 30 June 2015 was 70 (2014: 74).

Research and development

The group continues to devote effort and resources to the research and development of new processes and products. Research and development expenditure during the year totalled £0.3 million (2013/14: £0.2 million).

Employees

Through regular company announcements and other staff communications employees are kept informed on the group's financial performance, future prospects and other matters affecting them.

The group is an equal opportunities employer and its policies for recruitment, training, career development and promotion are based on the aptitude and abilities of the individual. Those who are disabled are given equal treatment with the able-bodied. Should employees become disabled after joining the company, every effort is made to ensure that employment continues and appropriate training is given.

Employees are kept informed of changes in the business and general financial and economic factors influencing the group, this is done through briefing sessions and presentations. The group values the views of its employees and consults with them and their representatives on a regular basis about matters that may affect them.

Donations

The group made charitable donations of £2,438 during the year (2013/14: £2,463).

No political donations were made during the year.

Auditors

The auditors, KPMG LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Fair, balanced and understandable

The Board has concluded that the 2015 Annual Report is fair, balanced and understandable and provides the necessary information for shareholders and other readers of the Report and Accounts to assess the group's performance, business model and strategy.

Annual General Meeting

The notice convening the Annual General Meeting, to be held on 22 October 2015, is included with this document together with an explanation of the business to be conducted at the meeting and a form of proxy.

The Directors believe that the proposals set out for approval at the Annual General Meeting will promote the success of the company. Accordingly, they recommend unanimously that members vote in favour of each resolution. Members who are in any doubt as to what action to take are advised to consult appropriate independent advisers.

By order of the Board

Andrew Magson
Company Secretary

3 September 2015

Governance
Directors' Report

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare group and parent company financial statements for each financial year. Under that law they are required to prepare the group financial statements in accordance with IFRSs as adopted by the EU and applicable law and have elected to prepare the parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- for the group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the parent company financial statements, state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the parent company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statement

We confirm that to the best of our knowledge:

a) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the group and the company;

b) the Strategic Report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties that the group faces; and

c) The Annual Report and financial statements, taken as a whole are fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy.

On behalf of the Board

Paul Hooper
Chief Executive

Andrew Magson
Group Finance Director

3 September 2015

Statement of Corporate Governance

There is a commitment to high standards of corporate governance throughout the group. The Board endorses the general principles set out in The UK Corporate Governance Code September 2012 ("The Code") (which is available on www.frc.org.uk) and is accountable to the group's shareholders for good governance. This report, together with the information contained in the Audit Committee Report on pages 29 to 32 and the Directors' Remuneration Report on pages 33 to 40 explains how the Directors seek to apply the requirements of The Code to procedures within the group.

Directors

During the year, the Board consisted of a Chairman, Chief Executive, Group Finance Director and five Non-Executive Directors. The Chairman, John McCall, has a significant shareholding detailed in the Directors' Report on page 23.

Keith Walden, a Non-Executive Director, retired from the Board on the 2 September 2014. David Armfield joined the Board as a Non-Executive Director on 1 October 2014. John Pilkington, a Non-Executive Director, retired from the Board on 3 September 2015.

Three of the Board's Non-Executive Directors, Jon Pither, Philip Gwyn and Richard Saville, have been members of the Board for more than the recommended nine years. In addition, Philip Gwyn has a significant shareholding, detailed in the Directors' Report on page 23. The Board has reviewed the role of each of these Directors and concluded that each is independent in character and free from any relationship that could affect exercise of their independent judgement. It is felt that their knowledge and understanding are fundamental to the Board's deliberations and these Directors also have other significant commercial commitments.

Jon Pither is the Senior Independent Director.

No individual or group of individuals dominates the Board's decision-making.

The Non-Executive Directors' interests in the shares of the company are set out on page 23 and they receive a fixed fee for their services.

Profiles of the Board members appear on pages 20 and 21 of this report. These indicate the high level and range of business experience which enables the group to be managed effectively.

The Board meets at least seven times a year and more frequently where business needs require. Two of these meetings are focused upon strategic matters. The Board has a schedule of matters reserved for its decision which includes material capital commitments, commencing or settling major litigation, business acquisitions and disposals and Board appointments. Directors are given appropriate information for each Board meeting, including reports on the current financial and trading position.

Any Director appointed is required to retire and seek election by shareholders at the next Annual General Meeting following their appointment. Additionally, one-third of the Directors retire by rotation each year and seek re-election at the Annual General Meeting. The Directors required to retire are those in office longest since their previous re-election.

All Directors have access to independent professional advice if required and at the company's expense. This is in addition to the access that every Director has to the Company Secretary. The Secretary is charged by the Board with ensuring that Board procedures are followed.

Statement of compliance

During the year ended 30 June 2015 the group has complied with the requirements of The Code save for the following:

Under Code provision B.2.1 the nominations committee did not comprise of a majority of independent Non-Executive Directors.

In the period between 1 July 2014 and the appointment of David Armfield on 1 October 2014 the group had only one independent (as defined by the Code) Non-Executive Director, John Pilkington. Since 1 October 2014 the company has therefore been compliant with Code provisions B.1.2., C.3.1. and D.2.1., having two independent Non-Executive Directors. John Pilkington was classed as independent, however Jon Pither, Philip Gwyn and Richard Saville have been in office for longer than the prescribed nine years and are therefore not classed as independent under The Code.

Chairman and Chief Executive

There is a clear division of responsibilities between the roles of the Chairman and of the Chief Executive.

The role of the Chairman is to conduct Board meetings and to ensure that all Directors are properly briefed in order to take a full and constructive part in Board discussions. He is responsible for evaluating the performance of the Board and of the Executive Management and of the other Non-Executive Directors and has active involvement in all key strategic decisions taken by the group.

The role of the Chief Executive is to oversee the day to day running of the group's business including the development of business strategies and processes to enable the group to meet shareholder requirements. The role involves leading the executive team and evaluating the performance of the Executive Management. Together with the Group Finance Director, he is also responsible for dealing with investor and public relations, external communications and corporate governance.

Governance
Statement of Corporate Governance

Board evaluation

In line with The Code, a formal evaluation of the performance and effectiveness of the Board, its Committees and individual Directors was carried out during the year. A briefing paper was prepared by the Chairman and formed the basis of one-to-one discussions between each of the Directors and the Chairman and, in the case of the Chairman, between the Chairman and the Senior Independent Director. Issues arising from this process were discussed with the Board with recommendations for actions where appropriate. The Senior Independent Director in conjunction with the Non-Executive Directors is responsible for evaluating the performance of the Chairman.

Board committees

The Board has delegated authority to the following committees and there are written terms of reference for each committee outlining its authority and duties. All terms of reference comply with The Code and are available on the company's website www.alumasc.co.uk.

(i) Audit Committee
Details of the composition of the Audit Committee and its activities during the year are given in the Audit Committee Report on page 29.

(ii) Remuneration Committee
Details of the composition of the Remuneration Committee and its activities during the year are given in the Remuneration Committee's Report on page 33.

(iii) Nominations Committee
The Nomination Committee members throughout the year were John McCall (Chairman), Jon Pither, Philip Gwyn and Richard Saville.
The Committee meets when appropriate to consider appointments to the Board of both Executive and Non-Executive Directors. Where necessary, external search consultants are used to ensure that a wide range of candidates is considered. An induction to the group's business and training is available for all Directors on appointment.

Attendance at Board and Committee meetings

	Board – 7 meetings	Audit Committee – 3 meetings	Remuneration Committee – 4 meetings	Nomination Committee – 1 meeting
J S McCall	7	3†	4†	1
J P Pither	7	3	4	1
P H R Gwyn	6	2	3	0
J Pilkington	7	3	4	N/A
R C C Saville	7	3	4	1
D Armfield^	5	2	3	N/A
W K Walden*	2	N/A	N/A	N/A
G P Hooper	7	3†	1†	N/A
A Magson	7	3†	N/A	N/A

† By invitation as an attendee.
* Attendance to date of retirement.
^ Attendance from date of appointment.

Shareholder relations

The company is committed to maintaining good communications with its shareholders. Shareholders have direct access to the company via its website where material of interest to shareholders is displayed. Additionally, the company responds to numerous individual enquiries from shareholders on a wide range of issues.

There is regular dialogue with individual institutional shareholders and private shareholders with large holdings, as well as general presentations after the announcement of results. The Board receives regular updates on all the meetings and communications with major shareholders, who are offered the opportunity to meet with the Non-Executive Directors from time to time. The Senior Independent Director is available to shareholders if they have concerns that cannot be addressed through regular channels such as The Chairman, Chief Executive or Group Finance Director.

All shareholders have the opportunity to raise questions at the Annual General Meeting when the company also highlights the latest key business developments.

Audit Committee Report

Introduction

The members of the Audit Committee throughout the year were Richard Saville (Chairman), Jon Pither, Philip Gwyn, John Pilkington and David Armfield. The Board considers that Richard Saville has relevant, recent financial experience. The Committee meets at least three times per year and its main duties are as follows:

(i) monitoring the integrity of and reviewing the financial reporting process and reviewing the financial statements, including the appropriateness of judgments and estimates taken in preparing the financial statements

(ii) the appointment of, and the review of the effectiveness and independence of the external auditors

(iii) monitoring the effectiveness of the group's internal controls and risk management processes, including approval of the scope and review of the results of internal audit activities.

The Group Chairman, Chief Executive, Group Finance Director and Group Financial Controller attended the meetings of the Committee. In addition, the external auditors attended two meetings during the year and the members of the Committee met with the external auditors on one occasion without members of the management team being present.

Activities of the Committee in the 2014/15 financial year

The main activities of the Committee during the year were:

(i) reviewing the interim and full year results announcements and financial statements, with particular focus on the key estimates and judgments taken by management in the preparation of those statements and the external auditor's comments in those areas;

(ii) review and approval of the audit plan of the external auditor, including the scope of the work, the key areas of focus in terms of audit risk and judgment, and the basis on which the auditor assesses materiality;

(iii) considering the effectiveness of the external audit and the independence of the auditors, and recommending the re-appointment of KPMG LLP as external auditor;

(iv) review and approval of the plan and scope of internal audit work, including consideration of internal audit reports issued during the year and discussion of the key matters and improvement points arising from those audits with management; and

(v) review and update of the Committee's terms of reference (available at alumasc.co.uk/governance).

Significant issues considered in relation to the financial statements

The committee considered, in conjunction with management and the external auditor, the significant areas of estimation and judgment in preparing the financial statements and disclosures, discussed how these were addressed and approved the conclusions of this work. The principal areas of focus in this regard were:

(i) Risk of Goodwill Impairment

The carrying value of acquired goodwill in the cases of Blackdown and Roof-Pro was highlighted in the group's 2014 Annual Report as being at ongoing risk of impairment. Both businesses began to be restructured in the 2013/14 year to improve their performance and reduce cost, including sharing external sales and overhead functions with Alumasc's wider Roofing business. During the 2014/15 financial year both Blackdown and Roof-Pro became fully integrated within Alumasc's Roofing business and, as a result, profits and cash flows are now measured and managed at an overall Roofing business level only. Accordingly, testing for impairment of goodwill is now also carried out at the Roofing business level, this being the smallest cash generating unit in the organisation that relevant cash flows are measured. As described in the Strategic Report, the profitability and cash generation of Alumasc's Roofing division improved considerably in the 2014/15 financial year and consequently no impairment of assets was identified.

The assumptions used in the various impairment reviews and related sensitivity analyses are detailed in note 14 to the financial statements.

Governance
Audit Committee Report

(ii) Revenue and Profit Recognition on Construction Contracts

Revenue and profit recognition on construction contracts that span more than one accounting period is an inherently judgmental area, involving estimation of the percentage of contract completion, and estimates of costs to complete the work. The larger, more material construction contracts carried out during the year were either complete or substantially complete at 30 June 2015, thereby reducing the degree of estimation and judgment required at the year end. Accordingly, the Committee was satisfied with the level of revenue and profit recognised on construction contracts for the financial year.

(iii) Defined Benefit Pension Schemes' valuation

As described in the risk review on page 16, Alumasc has relatively significant legacy defined benefit pension obligations in the context of the overall size of the group. Therefore, quite small changes to the market assumptions (particularly the discount rate and inflation rate) used to value defined benefit pension obligations under IAS19 can have a material impact on the group's Consolidated Statement of Financial Position and Consolidated Statement of Comprehensive Income. Further details are given in note 24 to the financial statements. Having reviewed the valuation assumptions adopted by management, in conjunction with actuarial advice received and the review of those assumptions by the external auditors, the Committee was satisfied that the assumptions used give rise to an appropriate valuation of the group's pension obligations using IAS19's valuation methodology.

(iv) Inventory Valuation

The Committee retains a focus on inventory valuation, partly because these valuations are dependent on the application of up to date costing rates and judgments with regard to the level of labour and production overheads absorbed into the valuation. The Committee seeks confirmation at each year end that physical quantities of stock have been verified through full inventory counts at each Alumasc manufacturing site and, via feedback from management, internal audit and external audit, that appropriate costing rates have been applied. No particular issues or exceptions were noted from this work either at the 30 June 2014 or 30 June 2015 year ends. In the past, the judgments and risks surrounding the valuation of inventory at Alumasc Precision Components has been a particular area of focus for the Committee. The recent sale of this business has reduced the degree of risk in the group balance sheet in this area.

Assessment of the effectiveness of external audit

The Committee assesses the performance of KPMG both through formal Committee meetings, KPMG's reports to the Committee and in more informal interaction throughout the year. The Committee also receives structured feedback from senior group and operational management on the robustness, value added and efficiency of the various external audits across the group during the year.

Having considered this information, the Committee concluded that the external audit process continues to operate effectively and that KPMG continued to be effective in their role.

Assessment of the independence of the external auditor

The group's policy on the independence of auditors is consistent with the ethical standards published by the Auditing Practices Board.

The firm carrying out the group's external audit was last changed seven years ago, and the Committee assesses the effectiveness and independence of the external auditor every year.

Any non-audit services proposed to be carried out by the external auditor are discussed and approved in advance by the Committee. During both the financial year under review and the prior financial year, no non-audit services were provided by KPMG.

In accordance with best practice and professional standards, KPMG rotated the audit partner responsible for the audit two years ago, when the original audit partner had served for five years. The current audit partner had not previously been involved in providing any audit or non-audit services to Alumasc.

KPMG have confirmed to the Committee that they consider themselves to be independent within the meaning of regulatory and professional requirements.

In view of all the above, the Committee remains satisfied with the independence of the external auditor.

Re-appointment of the external auditor

Having reviewed the performance and independence of the external auditors during the year, the Committee has recommended to the Board to propose to shareholders that KPMG LLP are re-appointed until the conclusion of the Annual General Meeting in 2016.

Effective internal control and risk management

The Alumasc Board as a whole acknowledges that it is responsible for the group's system of internal control and for reviewing its effectiveness. The system is designed to manage the risk of failure to achieve business objectives. However, this risk cannot be wholly eliminated and therefore the system can only provide reasonable and not absolute assurance against the risk of material misstatement, fraud or loss.

The group has an ongoing process for identifying, evaluating and managing the significant risks faced by the business. The process was in place during the year and remained in place on the date that the Annual Report and financial statements were approved by the Board. The main elements of the group's internal control process are as follows:

(i) Risk Management

Risk management is a continuing activity throughout the year, dealt with through the board meetings of operating companies. In addition, a formal business risk review exercise is conducted every year at each operating company and for the group as a whole. This identifies the most important risks, their likelihood of occurrence and possible business and financial implications and the effectiveness of mitigating controls. A group level summary of these risk reviews is provided on pages 16 and 17. Each operating company has implemented procedures for controlling the relevant risks of their business.

Based on their attendance at the board meetings of each operating subsidiary, the Executive Directors report periodically to the Board on the risk management processes that have been in place during the year and the effectiveness of the level of control in managing the identified risks. The Board is able to confirm that these procedures are ongoing.

(ii) Financial Reporting and Monitoring

The Board receives regular financial reports, including monthly management accounts, monthly rolling re-forecasts, annual budgets and five year strategic plans. These procedures are intended to ensure that the Board maintains full and effective control over all financial issues. An Executive Committee, comprising the group's Executive Directors and the Divisional Managing Directors of the group's operating segments reviews trading activities and addresses matters of common interest with regard to safety, strategic development, performance, risk and other matters of mutual group interest.

Day to day management of the group companies is delegated to operational management with a clearly defined system of control, including:

- An organisational structure with an appropriate delegation of authority within each company;
- The identification and appraisal of business and financial risks both formally, within the annual process of preparing business plans and budgets and informally through close monitoring of operations;
- A comprehensive financial reporting system within which actual results are compared with approved budgets, quarterly re-forecasts and the previous year's figures on a monthly basis and reviewed at both local and group level; and
- An investment evaluation procedure to ensure an appropriate level of scrutiny and approval for all significant items of capital expenditure.

(iii) Internal Controls Assurance

The Audit Committee on behalf of the Board has reviewed during the year the effectiveness of the system of internal control from information provided by management, the group's external auditors and the results from internal audits. The Board as a whole assessed the key risks affecting the group in the delivery of its long-term strategies, as summarised on pages 16 and 17.

The Committee was pleased to note further improvements in the group's internal financial controls during the year as evidenced by the reports of internal and external auditors.

(iv) Internal Audit

The Committee's view is that the size and complexity of the group and the close involvement of the Executive Directors make it unnecessary for Alumasc to have a dedicated internal audit function, although part of the Group Financial Controller's role, and that of her team, is to carry out internal audits in each of the group's principal operating locations each year. This position is kept under annual review by the Committee.

The principal focus of this internal audit work is to check the existence and effective operation of key internal financial controls.

The Committee reviews and approves the proposed scope of internal audit activities each year, and ensures that key risk areas are covered, and that agreed recommendations arising from previous internal and external audits are re-reviewed to assess whether they have been implemented.

Governance
Audit Committee Report

Whistleblowing policy

The group has a whistleblowing policy, which provides a formal mechanism whereby every group employee can, on a confidential basis, raise concerns over potential malpractice or impropriety within the group. A copy of the whistleblowing policy can be found on the group website www.alumasc.co.uk.

Bribery and corruption policy

The group has in place a policy with regard to compliance with the Bribery Act. The group's anti-bribery policy and guidelines reflect the Directors' zero tolerance approach to bribery and corruption of all kinds.

This policy has been cascaded down into the operating companies and training held at Head Office and subsidiary level. Any matters of particular concern whether arising from due diligence or otherwise with regard to related parties as defined in the Act are raised and discussed at monthly operating board meetings.

Business ethics policy

The group has in place a business ethics policy, setting out the standards of business conduct that the group expects from its executives and employees. This policy is subject to periodic review to ensure it reflects the operation of the group and the business environment in which it operates.

Going concern

The Board is satisfied that the group has adequate resources to continue for the foreseeable future for the reasons given on page 48.

Richard Saville
Chairman of the Audit Committee

Directors' Remuneration Report

Our remuneration policy was approved at the company's Annual General Meeting on the 30 October 2014 and is intended to apply for 3 years.

The full policy can be found in the company's 2014 Remuneration Report and at the Investor Relations section of the website (www.alumasc.co.uk).

This report was prepared by the Remuneration Committee (The Committee) and approved by the Board for the financial year ending 30 June 2015.

The Remuneration Committee members throughout the year were Jon Pither (Chairman), Philip Gwyn, Richard Saville, John Pilkington and David Armfield. The Committee meets at least twice a year to review the remuneration of the Executive Directors. It is also responsible for determining the fees of the Chairman. The Chairman generally attends meetings of the Committee but takes no part in deliberations relating to his own position. The Chief Executive and Group Finance Director attend meetings of the Committee as requested but take no part in deliberations relating to their own position.

The Executive Directors abstain from any discussion or voting at full Board meetings on Remuneration Committee recommendations where the recommendations have a direct bearing on their own remuneration package.

This report is comprised of three sections:

- The Remuneration Committee Chairman's Annual Statement;
- An overview of the remuneration policy; and
- The Annual Remuneration Report, explaining how our remuneration policy has been implemented during 2014/15.

These sections will be subject to an advisory vote by shareholders at the company's Annual General Meeting on 22 October 2015.

The Remuneration Committee's overall approach remains unchanged from prior years. We are focused on ensuring the group's remuneration policy is aligned with shareholders' interests while also enabling us to attract, retain and motivate high quality executive management.

In making remuneration decisions, the Committee considers the group's overall performance against its long-term goals. For the year to 30 June 2015, the group has delivered a positive set of results as described in the Strategic Report. Particular highlights include:

- group revenues from continuing operations increased by 10% to £98.1 million;
- underlying profit before tax from continuing operations increased by 16% to £8.4 million; and
- the strategically important divestment of the loss-making Alumasc Precision Components business was concluded in the year.

The Committee met four times during the year – the topics under discussion were:

- approving the remuneration policy;
- approving the rules of the new Executive Share Option Scheme, which became effective on 30 October 2014;
- reviewing the base salaries of the Executive Directors and group employees more generally;
- establishing and reviewing the achievement of the bonus criteria for the Executive Directors;
- recommendations as to the LTIP award in March 2015; and
- recommendations as to the vesting of the LTIP award maturing in March 2016.

As a result, for the year ahead, the remuneration structure remains largely unchanged but will be kept under review. The detail of the Directors' remuneration is contained in the report that follows.

Jon Pither
Chairman of the Remuneration Committee

Governance
Directors' Remuneration Report

Policy overview

In setting the remuneration policy for the Executive Directors, the Committee takes into account the following:

- the need to attract, retain and motivate Executive Directors and senior management;
- internal pay and benefits practice and employment conditions within the group as a whole; and
- periodic external comparisons to examine current market trends and practices and equivalent roles in similar companies.

There are five elements of the remuneration package for Executive Directors:

- Base salary
  Base salary for each Executive Director is reviewed annually by the Committee, taking account of the Director's performance, experience and responsibilities. The Committee has regard to salary levels paid by UK listed companies of a similar size and nature. This approach ensures that the appropriate benchmark data is used. When determining Executive Directors' base salaries, the Committee also considers wider economic factors, the performance of the group as a whole and the general level of salary increases across the group.
- Annual bonus
  The Committee's general policy is that Executive Directors should receive a bonus in relation to the achievement of stretching performance targets which reflect how well the group has performed against budget. The Committee wishes to retain the flexibility to set bonus targets which reward outperformance against predetermined performance objectives and which reflect the needs of the business.
- Long-term incentives
  The group operates the Long Term Incentive Plan (the "Plan") which was approved by shareholders in October 2008. The purpose of the Plan is to motivate key individuals to take the company upon a programme of long term growth and to reward them for exceptional performance. Under the Plan each participant is allocated a number of shares. The vesting of shares under the Plan is subject to the achievement of performance targets.
- Pension provision
  Pension provision is provided by company contributions into defined contribution schemes and/or as a separate cash allowance. The group has two closed defined benefit schemes and there are no plans to reintroduce such schemes.
- Benefits
  The group operates a policy whereby Executive Directors are provided with health insurance, disability insurance and life cover, and are given a cash alternative to a company car.

The key principles of the policy are:

- a reward structure that balances short-term and long-term performance; and
- base salaries set at around median level for a group of Alumasc's size, complexity and industry sectors, but with the potential to earn upper-quartile rewards for sustained medium to longer term exceptional performance; and
- competitive incentive arrangements underpinned by a balance of financial measures and linked to corporate performance, ensuring a focus on business performance and alignment with the interests of shareholders.

As a result, the Committee has determined that the remuneration of Executive Directors will provide an appropriate balance between fixed and performance-related elements. The Committee will continue to review the remuneration policy to ensure it takes due account of best remuneration practice and that it remains aligned with the interests of shareholders.

How shareholders' views are taken into account

The committee considers shareholder feedback received at the Annual General Meeting each year. This, plus other feedback received during the year, is then considered as part of the group's annual review of remuneration. At the 2014 Annual General Meeting over 99% of those voting chose to vote in favour of the Directors' Remuneration Policy and the Committee is grateful to receive this level of support.

How employees' pay is taken into account

Pay and conditions elsewhere in the group were considered when finalising the current policy for Executive Directors and continues to be considered in relation to the implementation of this policy. In order to do so, the committee assesses the wider pay and employment conditions in other parts of the group.

How the Executive Directors' remuneration policy relates to the wider group

Both executives, and employees below executive level, have their base pay reviewed each year taking into account wage and general inflation, affordability to the group/relevant operating company, performance/development of the individual in their role and general market rates for specific skills. Employees below executive level have lower proportions of their total remuneration subject to incentive based rewards. Long term incentives are reserved for those judged as having the greatest potential to influence the group's earnings growth and share price performance.

Service contracts

The Committee's policy on service contracts for Executive Directors is that they should provide for termination of employment by either side giving 12 months' notice. The group's policy going forward will be that no Executive Director should be entitled to a notice period or payments in excess of their contractual arrangements.

No Executive Director has the benefit of provisions in their service contract for the payment of pre-determined compensation in the event of termination of employment.

Provision	Contractual terms
Contract dates	G P Hooper – 28 January 2001 A Magson – 7 August 2006
Notice period	12 months
Termination payment	Base salary plus pension contributions and benefits. Any variable compensation accrued up to cessation may also be included at the discretion of the Committee.

Chairman and Non-Executive Directors

The Non-Executive Directors are engaged for fixed terms, with an entitlement to accrued fees and expenses only up to the date of termination. These appointments are subject to the Articles of Association. Directors submit themselves for re-election at the Annual General Meeting in accordance with the UK Corporate Governance Code and the company's articles.

The effective dates of the letters of appointment for the current Non-Executive Directors are as follows:

Name	Effective date of letter of appointment	Date term due to expire
R C C Saville	1 January 2015	31 December 2015
P H R Gwyn	1 July 2015	30 June 2016
J P Pither	1 July 2015	30 June 2016
J Pilkington*	1 March 2014	28 February 2015
D Armfield	1 October 2014	30 September 2017

* Mr Pilkington retired from the Board on 3 September 2015.

Annual Report on Remuneration

The following sections show how the policy described above was applied in 2014/15 and where appropriate will be applied in 2015/16.

Salary

Salaries for Executive Directors at 30 June 2015 were as follows:

- Chief Executive: £242,000
- Group Finance Director: £168,000

The Chief Executive's salary was raised by 3.3% with effect from 1 July 2015 to £250,000.

The Group Finance Director's salary was raised by 4.8% with effect from 1 July 2015 to £176,000.

These increases were awarded within the range of salary increases granted to employees across the group.

Governance
Directors' Remuneration Report

Non-Executive Directors

The remuneration of the Non-Executive Directors is set by the Chairman and the Executive Directors. The policy of the Board is that the remuneration of the Non-Executive Directors should be consistent with the levels of remuneration paid by companies of a similar size and complexity. Non-Executive Directors receive an annual fee and are reimbursed expenses incurred in performing their duties. They do not receive any performance related remuneration or pension contributions. Current fee levels are as follows:

Name	Role	Committee Chairman role	Fee to 30 June 2015 £000	Additional for Committee Chairmanships	Total
J S McCall	Chairman	Nomination	100	–	100
J P Pither	Senior Independent Director	Remuneration	28	5	33
P H R Gwyn	Non-Executive Director	–	28	–	28
R C C Saville	Non-Executive Director	Audit	28	5	33
J Pilkington†	Non-Executive Director	–	28	–	28
D Armfield*	Non-Executive Director	–	21	–	21
W K Walden^	Non-Executive Director	–	8	–	8

† J Pilkington retired from the Board on 3 September 2015 – no payment was made for loss of office.
* D Armfield became a Director on 1 October 2014.
^ W K Walden retired from the Board on 2 September 2014 – no payment was made for loss of office.

The Chairman and Non-Executive Directors do not have contracts of service but their terms are set out in letters of appointment.

Bonus

The group's remuneration policy caps bonuses payable to Executive Directors at 100% of base pay. In practice, bonuses will only exceed 50% of base pay in exceptional circumstances (for example completion of major strategic projects). For the year to 30 June 2015 the minimum bonus target was to achieve underlying PBT from continuing operations of £7.2 million. On the basis of actual underlying PBT from continuing operations achieved of £8.4 million a maximum 50% profit linked bonus was payable. Each of the Executive Directors earned additional exceptional bonuses of £50,000 on the successful disposals of the Alumasc Precision Components and Pendock Profiles businesses. Therefore a total bonus payment of £171,000 was made to the Chief Executive and £134,000 to the Group Finance Director.

For 2015/16 the annual bonus for Executive Directors will be determined by growth in group underlying profit before tax relative to targets set at the beginning of the financial year.

Long Term Incentive Plan

Each award is dependent partially on an EPS performance condition and partially on total shareholder return ("TSR"), meaning a measure of the growth in value of the ordinary shares of the company over the performance period, assuming that all dividends are reinvested to purchase additional shares. The relative weighting to be attributed to EPS and TSR in a particular award is decided upon by the Remuneration Committee.

2011 LTIP award
No proportion of the 2011 LTIP award vested during the year and the award has now lapsed.

2012 LTIP award
The performance metrics used for the 2012 LTIP award were stretching to incentivise a significant recovery in the group's profitability following the 2011/12 financial year. They comprised an earnings target based on Underlying Profit Before Tax (UPBT), which was used by the Committee as a proxy for growth in earnings per share, and a Total Shareholder Return (TSR) target.

A minimum UPBT of £7 million was set as the threshold level of performance for the 2014/15 financial year, below which no part of the LTIP award would vest. At this level, 25% of the award would vest. An additional 37.5% of the award would vest if UPBT of £9 million was achieved, with pro rata vesting between £7 million and £9 million.

With regard to the TSR performance metric, provided the minimum earnings threshold had been achieved, then up to 37.5% of the award would vest if Alumasc's TSR over the performance period was between median and the upper quartile performance when measured relative to the FTSE All Share Index. None of the TSR element of the award would vest for a below median performance, rising to 37.5% for upper quartile performance, pro rata in between.

The group's UPBT for the 2014/15 year was £8.4 million. The Committee used its discretion to adjust this figure downwards, principally in respect of the trading results of businesses discontinued during the year, in determining that the threshold level of £7 million UPBT had been achieved. This resulted in a 25% award in respect of the earnings target.

In order to align the performance period for the TSR metric with the earnings metric, the Committee amended the original TSR performance period, being the three years to 3 September 2015, to the three years to 30 June 2015. During the revised performance period, the group achieved top quartile relative TSR performance, but in view of the amendment to the performance period, the Committee reduced the TSR element of the award to 25%.

The Committee determined that 50% of the full LTIP award should vest, comprising 25% in respect of the earnings element and 25% in respect of the TSR element. Therefore, in March 2016, 87,259 shares will vest in respect of Mr Hooper and 36,538 shares in respect of Mr Magson.

2014 LTIP award

In respect of the 2014 LTIP award, granted in March 2015, the Chief Executive was awarded 140,154 shares and the Group Finance Director 64,865 shares, which equated to 75% and 50% of their base salaries respectively.

- The threshold level for any of the 2014 LTIP award (granted in March 2015) to vest will be growth in 2013/14 underlying earnings per share from continuing operations (15.4 pence) of at least the growth in the retail prices index ("RPI") plus 2.5% per annum over the three year performance period, being the three years to 30 June 2017. At this level 25% of the total LTIP award will vest. Underlying earnings per share is calculated prior to the deduction of pension interest and the amortisation of acquired intangible assets. The Committee will apply its discretion to adjust, as appropriate, should there be any changes to the group's structure during the remaining performance period;
- Below this threshold level no LTIP awards will vest; and
- Above the threshold level, half of the remaining 75% of the award will vest based on underlying earnings per share growth above the threshold level and half based on relative TSR performance as follows:

(a) maximum vesting of the earnings per share element of the award would require growth in 2013/14 underlying earnings per share from continuing operations (15.4 pence) by the growth in RPI plus 10% per annum over the three year performance period. Vesting will be straight line between threshold EPS performance and maximum EPS performance.

(b) the TSR element of the award will vest if the group achieves at least median performance, relative to the FTSE All Share Index. Maximum vesting of the TSR element of the award would require the group to achieve top quartile performance relative to FTSE All Share Index. The TSR element of the award will vest pro-rata between median and upper quartile performance.

LTIP to be granted in 2015

It is intended that awards will be made in October 2015 to the Chief Executive, to the extent of 75% of base salary, and to the Group Finance Director, to the extent of 50% of base salary. The performance measures for these awards over the three year period will be:

- The threshold level for any of the 2015 LTIP award (expected to be granted in October 2015) to vest will be growth in 2014/15 basic earnings per share from continuing operations (15.0 pence) of at least the growth in the retail prices index ("RPI") plus 2.5% per annum over the three year performance period, being the three years to 30 June 2018. At this level 25% of the total LTIP award will vest;
- Below this threshold level no LTIP awards will vest; and
- Above the threshold level, two thirds of the remaining 75% of the award will vest based on earnings per share growth above the threshold level and one third based on relative TSR performance as follows:

(a) maximum vesting of the earnings per share element of the award would require growth in 2014/15 basic earnings per share from continuing operations (15.0 pence) by the growth in RPI plus 10% per annum over the three year performance period. Vesting will be straight line between threshold EPS performance and maximum EPS performance.

(b) the TSR element of the award will vest if the group achieves at least median performance, relative to the FTSE All Share Index. Maximum vesting of the TSR element of the award would require the group to achieve top quartile performance relative to FTSE All Share Index. The TSR element of the award will vest pro-rata between median and upper quartile performance.

Pension provision

The defined benefit pension schemes are closed and neither Mr Hooper nor Mr Magson have benefits provided under these schemes. The group makes provision to pay 20% of Mr Hooper's base salary and 15% of Mr Magson's base salary into a defined contribution pension scheme of each executive's choosing or as a cash alternative.

Implementation report

Committee role and membership

The Remuneration Committee comprises five Non-Executive Directors. Jon Pither (Chairman), Philip Gwyn, Richard Saville, John Pilkington and David Armfield. Biographies of the committee members are set out on pages 20 and 21.

Name	Position	Attendance
J P Pither	Committee Chairman	4/4
P H R Gwyn	Non-Executive Director	3/4
R C C Saville	Non-Executive Director	4/4
J Pilkington†	Non-Executive Director	4/4
D Armfield*	Non-Executive Director	3/3

† J Pilkington retired from the Board and Committee on 3 September 2015.
* D Armfield joined the committee on 1 October 2014.

The Committee's principal functions are to advise the Board on the company's policy on executive remuneration and to approve the specific remuneration of Executive Directors, including their service contracts. Its remit therefore includes, but is not limited to, basic salary, benefits in kind, performance-related bonus awards, share options and awards, long-term incentive plans, pension rights and any other compensation or termination payments. The detailed terms of reference for the Committee are displayed on the company's web-site www.alumasc.co.uk.

Governance
Directors' Remuneration Report

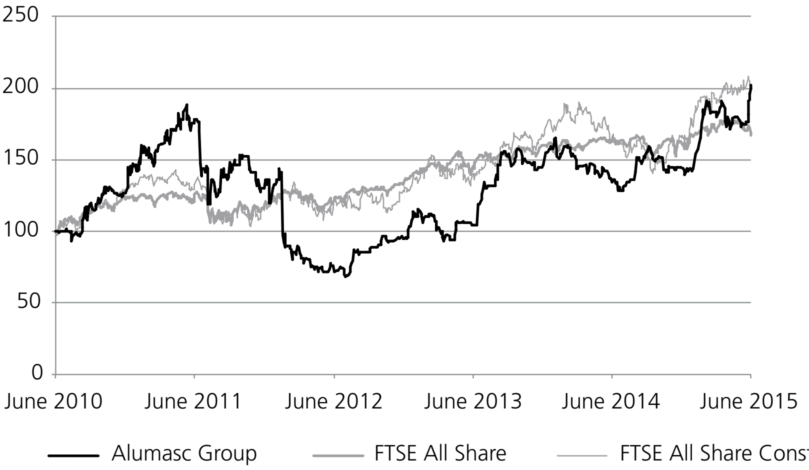
Shareholder voting at Annual General Meeting

At last year's Annual General Meeting (2014) the Directors' Remuneration Report received the following votes from shareholders:

	Total number of votes cast	% of votes cast
For	20,740,118	99.8
Against	21,233	0.2
Total votes cast (for and against)	20,761,351	100
Votes withheld	18,190	n/a
Total votes cast (including withheld votes)*	20,779,541	–

* A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast 'For' or 'Against' a resolution.

Historical total shareholder return performance



The graph shows the total shareholder return on a hypothetical holding of shares in the company compared with a broad equity market. The Directors have chosen to illustrate TSR against the FTSE All Share Index and the All Share Construction & Materials index. These indexes have been selected as, in the opinion of the Directors, they provide a more sound comparison than any subset of the market.

Directors' Remuneration

	Base salaries/fees		Bonuses		Benefits in kind		Pension contributions or payments in lieu of pension contributions		Long-term incentives with performance period ending during the year^		Single figure of total remuneration	
Director	**2014/15 £000**	2013/14 £000	**2014/15 £000**	2013/14 £000	**2014/15 £000**	2013/14 £000	**2014/15 £000**	2013/14 £000	**2014/15 £000**	2013/14 £000	**2014/15 £000**	2013/14 £000
G P Hooper	**242**	230	**171**	29	**16**	18	**48**	46	**129**	–	**606**	323
A Magson	**168**	160	**134**	20	**14**	14	**25**	24	**54**	–	**395**	218
J S McCall	**100**	100	**n/a**	n/a	**3**	3	**n/a**	n/a	**n/a**	n/a	**103**	103
J P Pither	**33**	33	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**33**	33
P H R Gwyn	**28**	28	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**28**	28
R C C Saville	**33**	33	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**33**	33
J Pilkington	**28**	28	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**28**	28
D Armfield*	**21**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**21**	n/a
W K Walden†	**8**	33	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**n/a**	n/a	**8**	33
Total	**661**	645	**305**	49	**33**	35	**73**	70	**183**	–	**1,255**	799

^ Estimated values based on the 3 month average share price to 30 June 2015, pending vesting of the awards in March 2016.

* From date of appointment – 1 October 2014.

† Prior to date of retirement – 2 September 2014. No payment for loss of office was made.

Chief Executive's Remuneration

The following table sets out the total remuneration and the amount vesting under short-term and long-term incentives (as a percentage of the maximum that could have been achieved) in each of the past five years for the Chief Executive.

Year	Chief Executive single figure of total remuneration £000	Annual bonus payout against maximum opportunity %	Long-term incentive vesting rates against maximum opportunity %
2014/15	**606***	**70.7%**	**50%**
2013/14	323	12.5%	0%
2012/13	355	63%	0%
2011/12	306	0%	0%
2010/11	349	43%	0%

* Includes estimated value for LTIPs based on the 3 month average share price to 30 June 2015, pending vesting of the awards in March 2016.

Percentage change in Chief Executive's remuneration

	2014/15 £000	2013/14 £000	% change
Salary	**242**	230	+5.0%
Benefits	**16**	18	-11.0%
Bonus	**171**	29	+100%+
Pension	**48**	46	+5.0%
LTIP	**129**	–	+100%
Total	**606**	323	**+88%**

Percentage change in average remuneration of all the group's employees

	2014/15 £000	2013/14 £000	% change*
Salary	**30**	29	+2%
Benefits	**1**	1	–
Bonus	**1**	–	+100%
Pension	**1**	1	–
Total	**33**	31	+6%

* Individual employees received basic wage/salary increases of between 1% and 5% depending on the performance of the group company they were employed by, skill levels and assessment of their own individual performance.

Relative importance of spend on pay

	Total remuneration of all employees of The Alumasc Group plc £000	Dividends paid £000
2014/15	**25,303**	**1,889**
2013/14	24,108	1,675

External appointments

Neither of the Executive Directors has any external paid directorships. Executive Directors are permitted to accept external board or committee appointments provided they do not interfere with the Executive Directors' obligations to the company. The Board will decide at the time of appointment whether the Executive Director may retain the fees for such appointments.

Executive Share Option Scheme

Executives have in the past, been able to participate in the Executive Share Option Scheme approved by shareholders in 2004. This scheme is designed to encourage the matching of interests between management and shareholders. No awards under the scheme were made to Executive Directors during the year. The Chief Executive continues to participate by virtue of an award made in 2006, which may be exercised until 2016 on condition that the growth in earnings per share (EPS) exceeds the increase in the Retail Price Index (RPI) by 7.5% over the course of a continuous three year period.

Governance
Directors' Remuneration Report

Long Term Incentive Plan awards granted in March 2015

	Scheme	Basis of award granted	Face value of award†	Maximum vesting (% of face value)	Percentage vesting for threshold performance	Vesting and performance period
G P Hooper	2008 Plan LTIP	75% of base pay	£217,939	100%	25%	3 years
A Magson	2008 Plan LTIP	50% of base pay	£100,865	100%	25%	3 years

† Based on share price of 155.5 pence on the day before the date of grant. The share price used to calculate the LTIP percentage of salary was 129.5 pence on 11 February 2015.

Further details regarding the Long Term Incentive Plan, together with the performance conditions applying to the above awards are set out on page 37.

Executive Share Option Scheme

	Exercise price	Earliest exercise date	Expiry date	**As at 1 July 2014**	Exercised in year	Granted in year	Lapsed in year	**At 30 June 2015**
G P Hooper	171.2p	April 2009	April 2016	**39,878**	–	–	–	**39,878**

Long Term Incentive Plans

	Date of award	Market price at award date*	Earliest exercise date	**As at 1 July 2014**	Vested in year	Market price at vesting date	Granted in year	Lapsed in year	**At 30 June 2015**
G P Hooper									
	Nov 2011	140p	Nov 2014	**135,448**	–	–	–	135,448	**–**
	Mar 2013	98p	Mar 2016	**174,519**	–	–	–	–	**174,519**
	Oct 2013	127p	Oct 2016	**134,241**	–	–	–	–	**134,241**
	Mar 2015	155.5p	Mar 2018	**–**	–	–	140,154	–	**140,154**
Total 2008 Plan				**444,208**			140,154	135,448	**448,914**
A Magson									
	Nov 2011	140p	Nov 2014	**56,716**	–	–	–	56,716	**–**
	Mar 2013	98p	Mar 2016	**73,076**	–	–	–	–	**73,076**
	Oct 2013	127p	Oct 2016	**62,257**	–	–	–	–	**62,257**
	Mar 2015	155.5p	Mar 2018	**–**	–	–	64,865	–	**64,865**
Total 2008 Plan				**192,049**	–	–	64,865	56,716	**200,198**

* The market price at the award date is based on the price at the date the employee trust granted the award. This price can differ from the market value at the date the Remuneration Committee recommended the award to the trust.

All awards under the 2008 Plan have a £nil exercise price.

The aggregate of gains made by Directors on the exercise of share options during the year was £nil (2014: £nil).

Directors' holdings in shares

There is no requirement of Directors to hold a specific number of shares in the company. Details of Directors' holdings are set out on page 23.

Employee Trust

At the year end the employee trust held 485,171 ordinary shares. The market value of the shares held in trust at 30 June 2015 was £802,958.

Company share price

The closing mid-market price of the shares on 30 June 2015 was 165.5 pence and ranged between 109 pence and 165.5 pence per share during the year.

On behalf of the Board

J P Pither
Chairman
Remuneration Committee

3 September 2015

Financial Statements

Independent Auditor's Report

To the members of The Alumasc Group plc only

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

We have audited the financial statements of Alumasc Group Plc for the year ended 30 June 2015 set out on pages 44 to 86. In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2015 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with UK Accounting Standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

2 Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements the risks of material misstatement that had the greatest effect on our audit were as follows:

Carrying value of goodwill associated with Alumasc's Roofing business (£3.8m)

Refer to page 29 (Audit Committee Report), page 49 (accounting policy) and page 64 (financial disclosures).

- *The risk:* As set out in the Audit Committee Report both Roofpro and Blackdown became fully integrated within the existing Alumasc Roofing business in the year. Goodwill of £0.6 million and £3.2 million was previously directly attributed to Blackdown and Roofpro respectively however, following the integration profits and cash flows are now measured and managed at an overall Roofing business level only. It is no longer possible to attribute cash flows to the specific Blackdown and Roofpro divisions and accordingly, goodwill of £3.8 million is now attributable to the Roofing business. There is a risk of impairment of the group's goodwill balance in relation to the Roofing business due to the historical trading of the two divisions, which resulted in a partial impairment of goodwill in relation to Blackdown in a previous year. The group uses a discounted cash flow model to support the carrying value of goodwill for the Roofing business. Should the forecasts that underpin these discounted cash flows not be achieved, this could result in the recoverable amount of goodwill falling below the respective carrying amount. The model uses certain key assumptions including revenues, margins, cost base forecasts and the discount rate. Due to the inherent uncertainty involved in forecasting future cash flows, which are the basis of the assessment of recoverability, this is one of the key judgemental areas that our audit is focussed on.

- *Our response:* Our audit procedures included testing the principles and integrity of the group's forecasts and the discounted cash flow model. We critically assessed the appropriateness of the assumptions and methodology used by the group. The assumptions relating to the forecast revenue growth and profit margins within the Roofing business were assessed by reference to historical profit margins of the individual divisions and our expectations, based on our knowledge of the trading of the Roofing division and external market. The discount rate was assessed against those used by other comparable companies and with externally derived market data. We performed sensitivity analysis on the key inputs such as projected economic growth, cost inflation and the discount rate. We also assessed whether the group's disclosures, including about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill.

Contract revenue recognition (£17.6m)

Refer to page 30 (Audit Committee Report), page 53 (accounting policy) and page 54 (financial disclosures)

- *The risk:* The recognition of profit on long-term contracts is based on the stage of completion of work performed. This is assessed by reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total costs of the contract at completion. Revenue is recognised with reference to the value of work done. Forecast profit or loss on contracts is a key risk for our audit because of the judgement involved in preparing suitable estimates of the forecast costs and revenue on contracts. An error in the contract forecast could result in a material variance in the amount of profit or loss recognised to date and therefore also in the current period. The forecast profit on contracts includes key judgements over the expected recovery of costs arising from variations and claims. The inclusion of these amounts in the contract forecast where they are not recoverable could result in a material error in the level of profit or loss recognised by the group.

- *Our response:* Our audit procedures included selecting those contracts that could have the greatest impact on the group's financial results to assess whether the amounts recognised in the financial statements were in line with the group's accounting policy, and whether they represented a balanced view of the risks and opportunities in respect of the forecast profit to completion. We challenged management's judgement by obtaining and assessing information to support the forecast assumptions, including correspondence with customers regarding contract variations and claims. We assessed the accuracy of management's forecasting by comparing the historical financial performance of completed contracts with the original budgets and forecast margins for those contracts. We evaluated a sample of forecast costs to complete for reasonableness by reviewing the basis of their calculation, which included supplier quotes, and considered the performance of those contracts and costs incurred post-period end. We also considered the adequacy of the group's disclosures about the degree of judgement involved in arriving at the contract revenues.

Financial Statements
Independent Auditor's Report
To the members of The Alumasc Group plc only

Post retirement benefits (gross liability: £111.1m; net liability: £20.9m)

Refer to page 30 (Audit Committee Report), page 51 (accounting policy) and pages 71 to 73 (financial disclosures)

- *The risk:* Due to the materiality of the defined benefit pension obligation, small changes in the key assumptions, being the discount rate, inflation and mortality rates, can have a significant effect on the group's results and financial position.

- *Our response:* In this area our audit procedures included challenging the key assumptions used in the group's valuation of the defined benefit pension obligation, with the support of our own actuarial specialists. This included critically assessing the key assumptions against those used by other comparable companies and with externally derived market data. We also considered the adequacy of the group's disclosures of the assumptions and the sensitivities of these.

Carrying value of inventory (£10.6m)

Refer to page 30 (Audit Committee Report), page 50 (accounting policy) and page 66 (financial disclosures)

- *The risk:* The specialist nature of the group's inventory means that it can be slow moving and therefore the group's inventory provision is an inherently judgmental area. In addition, changes in production volume and mix, and in the cost base of raw materials, impact the carrying amount of work in progress and finished goods as these drive the allocation of labour and production overheads within the inventory valuation. Due to the level of judgment involved in determining the labour and production overheads to be absorbed, there is also a risk that the carrying value of inventory could be mis-stated.

- Our response: Our procedures included testing the adequacy of the group's provision against inventory by assessing the assumptions applied by the group in providing against aged/obsolete items. We did this by assessing the historical accuracy of the group provisioning policy. As part of our attendance at the year-end inventory counts we challenged the inventory provisioning in line with our observations of potentially obsolete inventory. We tested a sample of inventory, comparing the carrying value to recent sales invoices to ensure provisions were appropriately applied.

  We tested the calculation of labour and production overhead absorption by critically assessing the method of calculation and challenging the levels of overhead absorbed compared to actual overhead costs incurred and in comparison to prior year levels.

3 Our application of materiality and an overview of the scope of our audit

The materiality for the group financial statements as a whole was set at £400,000, determined with reference to a benchmark of group profit before tax, normalised to exclude the loss of £3.0 million on the sale of Alumasc Precision Components as disclosed in note 6, the one-off profit of £0.8 million on the sale of Pendock Profiles, as disclosed in note 6 and the net pension cost of £1.2 million, as disclosed in note 24, of £8.2 million, of which it represents 4.9%.

We report to the Audit Committee any corrected or uncorrected identified misstatements exceeding £20,000, in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Of the group's eleven reporting components we subjected eight to audits for group reporting purposes and three to specified risk-focused audit procedures. The latter was not individually financially significant enough to require an audit for group reporting purposes, but did present a specific individual risk that needed to be addressed. The work on all the reporting components was performed by the group audit team.

The components within the scope of our work accounted for the following percentages of the group's results:

	Audits for group reporting purposes	Specified risk-focused audit procedures	Total
Group revenue	94.3%	5.7%	100%
Group profit before tax	76.4%	23.6%	100%
Group assets	95.2%	4.8%	100%

The audits undertaken for group reporting purposes at the key reporting components of the group were all performed to materiality levels set by the group audit team. These materiality levels were set individually for each component and ranged from £93,000 to £360,000.

4 Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Corporate Governance Statement set out on pages 27 to 28 with respect to internal control and risk management systems in relation to financial reporting processes and about share capital structures is consistent with the financial statements.

5 We have nothing to report in respect of the matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy; or
- the Audit Committee Report does not appropriately address matters communicated by us to the audit committee.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the company.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 26, in relation to going concern; and
- the part of the Corporate Governance Statement on page 27 relating to the company's compliance with the ten provisions of the 2012 UK Corporate Governance Code specified for our review.

We have nothing to report in respect of the above responsibilities.

Scope of report and responsibilities

As explained more fully in the Directors' Responsibilities Statement set out on page 26, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate. This report is made solely to the company's members as a body and is subject to important explanations and disclaimers regarding our responsibilities, published on our website at www.kpmg.com/uk/auditscopeukco2014a, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

Mark Matthewman (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
Altius House
1 North Fourth Street
Milton Keynes
MK9 1NE

3 September 2015

Financial Statements
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2015

				2014/15			2013/14 (re-stated)
Continuing operations	Notes	**Underlying £000**	**Non-underlying £000**	**Total £000**	Underlying £000	Non-underlying £000	Total £000
Revenue	3,4	**98,082**	**–**	**98,082**	88,857	–	88,857
Cost of sales		**(67,269)**	**–**	**(67,269)**	(60,781)	–	(60,781)
Gross profit		**30,813**	**–**	**30,813**	28,076	–	28,076
Net operating expenses before non-underlying items		**(21,791)**	**–**	**(21,791)**	(20,311)	–	(20,311)
Brand amortisation	5	**–**	**(268)**	**(268)**	–	(268)	(268)
IAS19 pension scheme administration costs	5	**–**	**(455)**	**(455)**	–	(452)	(452)
Net operating expenses		**(21,791)**	**(723)**	**(22,514)**	(20,311)	(720)	(21,031)
Operating profit	4	**9,022**	**(723)**	**8,299**	7,765	(720)	7,045
Finance income	9	**5**	**–**	**5**	10	–	10
Finance expenses	5,9	**(597)**	**(711)**	**(1,308)**	(531)	(448)	(979)
Profit before taxation		**8,430**	**(1,434)**	**6,996**	7,244	(1,168)	6,076
Tax (expense)/income	10	**(1,855)**	**216**	**(1,639)**	(1,753)	466	(1,287)
Profit for the year from continuing operations		**6,575**	**(1,218)**	**5,357**	5,491	(702)	4,789
Discontinued operations							
Loss after taxation for the year from discontinued operations	6	**–**	**(981)**	**(981)**	–	(748)	(748)
Profit for the year		**6,575**	**(2,199)**	**4,376**	5,491	(1,450)	4,041
Other comprehensive income							
Items that will not be recycled to profit or loss:							
Actuarial loss on defined benefit pensions	24			**(4,726)**			(9,350)
Tax credit on actuarial loss on defined benefit pensions	10			**945**			1,618
				(3,781)			(7,732)
Items that are or may be recycled subsequently to profit or loss:							
Effective portion of changes in fair value of cash flow hedges				**(179)**			(70)
Exchange differences on retranslation of foreign operations				**17**			(19)
Tax on cash flow hedge	10			**43**			20
				(119)			(69)
Other comprehensive loss for the year, net of tax				**(3,900)**			(7,801)
Total comprehensive profit/(loss) for the year, net of tax				**476**			(3,760)

Earnings per share		**Pence**	Pence
Basic earnings per share			
Continuing operations		**15.0**	13.4
Discontinued operations		**(2.7)**	(2.1)
	12	**12.3**	11.3
Diluted earnings per share			
Continuing operations		**14.8**	13.3
Discontinued operations		**(2.7)**	(2.1)
	12	**12.1**	11.2

Consolidated Statement of Financial Position

At 30 June 2015

	Notes	**2015 £000**	**2015 £000**	2014 £000	2014 £000
Assets					
Non-current assets					
Property, plant and equipment	13	**7,473**		12,039	
Goodwill	14	**16,488**		16,488	
Other intangible assets	15	**2,831**		2,770	
Financial asset investments	16	**17**		17	
Deferred tax assets	10	**4,187**		3,584	
			30,996		34,898
Current assets					
Inventories	17	**10,592**		12,523	
Biological assets	18	**75**		171	
Trade and other receivables	19	**20,317**		23,693	
Cash and cash equivalents	29	**5,914**		2,224	
Derivative financial assets	23	**–**		40	
			36,898		38,651
Total assets			**67,894**		73,549
Liabilities					
Non-current liabilities					
Interest bearing loans and borrowings	22, 29	**–**		(9,890)	
Employee benefits payable	24	**(20,935)**		(17,922)	
Provisions	25	**(1,224)**		(1,047)	
Deferred tax liabilities	10	**(390)**		(1,220)	
			(22,549)		(30,079)
Current liabilities					
Interest bearing loans and borrowings	22, 29	**(5,000)**		–	
Trade and other payables	20	**(23,338)**		(25,694)	
Provisions	25	**(402)**		(221)	
Corporation tax payable		**(429)**		(445)	
Derivative financial liabilities	23	**(247)**		(68)	
			(29,416)		(26,428)
Total liabilities			**(51,965)**		(56,507)
Net assets			**15,929**		17,042
Equity					
Called up share capital	26	**4,517**		4,517	
Share premium	27	**445**		445	
Capital reserve – own shares	27	**(618)**		(618)	
Hedging reserve	27	**(198)**		(62)	
Foreign currency reserve	27	**49**		32	
Profit and loss account reserve		**11,734**		12,728	
Total equity			**15,929**		17,042

G P Hooper
Director

A Magson
Director

3 September 2015

Company number 1767387

Financial Statements
Consolidated Statement of Cash Flows
For the year ended 30 June 2015

	Notes	**2014/15 £000**	2013/14 (re-stated) £000
Operating activities			
Operating profit		**8,299**	7,045
Adjustments for:			
Depreciation	13	**1,157**	1,175
Amortisation	15	**332**	381
Gain on disposal of property, plant and equipment		**(14)**	(3)
Increase in inventories		**(1,266)**	(344)
Decrease/(increase) in biological assets		**96**	(8)
(Increase)/decrease in receivables		**(1,924)**	306
Increase/(decrease) in trade and other payables		**2,435**	(1,461)
Movement in provisions		**358**	168
Cash contributions to retirement benefit schemes	24	**(2,500)**	(1,992)
Share based payments		**300**	34
Cash generated from continuing operations		**7,273**	5,301
Loss before taxation from discontinued operations		**(1,604)**	(987)
Depreciation and amortisation		**798**	884
Movement in working capital from discontinued operations		**612**	(57)
Cash absorbed by discontinued operations		**(194)**	(160)
Tax paid		**(907)**	(1,114)
Net cash inflow from operating activities		**6,172**	4,027
Investing activities			
Purchase of property, plant and equipment		**(1,114)**	(1,319)
Payments to acquire intangible fixed assets		**(322)**	(175)
Proceeds from sales of plant and equipment		**60**	10
Proceeds from sale of business activity		**6,168**	–
Acquisition of subsidiary, net of cash acquired		**–**	(320)
Interest received		**5**	10
Net cash inflow/(outflow) from investing activities		**4,797**	(1,794)
Financing activities			
Interest paid		**(408)**	(465)
Equity dividends paid		**(1,889)**	(1,675)
Repayment of amounts borrowed	29	**(5,000)**	(7,000)
Net cash outflow from financing activities		**(7,297)**	(9,140)
Net increase/(decrease) in cash and cash equivalents	29	**3,672**	(6,907)
Net cash and cash equivalents brought forward		**2,224**	9,147
Effect of foreign exchange rate changes		**18**	(16)
Net cash and cash equivalents carried forward	29	**5,914**	2,224
Net cash and cash equivalents comprise:			
Cash and cash equivalents	29	**5,914**	2,224

Consolidated Statement of Changes in Equity
For the year ended 30 June 2015

	Notes	Share capital £000	Share premium £000	Capital reserve – own shares £000	Hedging reserve £000	Foreign currency reserve £000	Profit and loss account reserve £000	Total equity £000
At 1 July 2013		4,517	445	(618)	(12)	51	18,060	22,443
Profit for the period		–	–	–	–	–	4,041	4,041
Exchange differences on retranslation of foreign operations		–	–	–	–	(19)	–	(19)
Net loss on cash flow hedges		–	–	–	(70)	–	–	(70)
Tax on derivative financial liability		–	–	–	20	–	–	20
Actuarial loss on defined benefit pensions, net of tax		–	–	–	–	–	(7,732)	(7,732)
Dividends	11	–	–	–	–	–	(1,675)	(1,675)
Share based payments	28	–	–	–	–	–	34	34
At 1 July 2014		4,517	445	(618)	(62)	32	12,728	17,042
Profit for the period		**–**	**–**	**–**	**–**	**–**	**4,376**	**4,376**
Exchange differences on retranslation of foreign operations		**–**	**–**	**–**	**–**	**17**	**–**	**17**
Net loss on cash flow hedges		**–**	**–**	**–**	**(179)**	**–**	**–**	**(179)**
Tax on derivative financial liability		**–**	**–**	**–**	**43**	**–**	**–**	**43**
Actuarial loss on defined benefit pensions, net of tax		**–**	**–**	**–**	**–**	**–**	**(3,781)**	**(3,781)**
Dividends	11	**–**	**–**	**–**	**–**	**–**	**(1,889)**	**(1,889)**
Share based payments	28	**–**	**–**	**–**	**–**	**–**	**300**	**300**
At 30 June 2015		**4,517**	**445**	**(618)**	**(198)**	**49**	**11,734**	**15,929**

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

1 Basis of preparation

The Alumasc Group plc is incorporated and domiciled in England and Wales. The company's ordinary shares are traded on the London Stock Exchange.

The group's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union as they apply to the financial statements of the group for the year ended 30 June 2015, and the Companies Act 2006.

The prior year cost of sales have been increased by £1,532,000, with gross margins decreasing correspondingly, to reflect a re-classification of costs relating to the management of construction contracts that were previously disclosed within operating expenses. The reclassification has arisen due to improved analysis and greater consistency of reporting across the group to better reflect the nature of the underlying costs. Gross margin has decreased by a further £1,016,000 due to the results of Alumasc Precision Components and Pendock Profiles being restated as discontinued operations as a result of the disposal of those businesses.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 1 to 19. The financial position of the group, its cashflows and liquidity position are set out in these financial statements. Details of the group's borrowing facilities are described within note 22.

Following the year end the group signed a new five year £30 million revolving credit banking facility consisting of a £12.5 million committed element and a £17.5 million uncommitted accordion element. In addition, the group has recently renewed overdraft facilities totalling £3 million for another year. At 30 June 2015 the group's net cash was £0.9 million (2014: net debt £7.7 million).

On the basis of the group's financing facilities and current operating and financial plans and sensitivity analyses, the Board is satisfied that the group has adequate resources to continue in operational existence for the foreseeable future and accordingly continues to adopt the going concern basis in preparing the financial statements.

2 Summary of significant accounting policies

Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year.

The following new standards, amendments and interpretations are effective for the period beginning on or after 1 July 2014 and have been adopted for the group financial statements where appropriate with no material impact on the disclosures made by the group:

IAS 27 Separate Financial Statements (2011);
IAS 28 Investments in Associates and Joint Ventures (2011);
IFRS 10 Consolidated Financial Statements;
IFRS 11 Joint Arrangements; and
IFRS 12 Disclosure of Interests in Other Entities.

Basis of consolidation

The group financial statements consolidate the financial statements of the company and each of its subsidiaries made up to 30 June each year.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases. Control in this context means the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities and is achieved through direct or indirect ownership of voting rights. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated.

2 Summary of significant accounting policies (continued)

Judgements and estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the measurement and valuation of goodwill and brands, the measurement and valuation of defined benefit pension obligations and the recognition of revenues and profit on construction contracts.

The measurement of intangible assets other than goodwill on a business combination involves estimation of future cash flows and the selection of a suitable discount rate.

The group determines whether goodwill is impaired on an annual basis and this requires an estimation of the value in use of the cash generating units to which the intangible assets are allocated. This involves estimation of future cash flows and choosing a suitable discount rate (see note 14).

Measurement of defined benefit pension obligations requires estimation of future changes in inflation, mortality rates and the selection of a suitable discount rate (see note 24).

Revenue recognised on construction contracts is determined by the assessment of the stage of completion of each contract. The requirement for Directors' judgement is limited in most cases due to the involvement of quantity surveyors during the assessment process, as detailed within the revenue recognition accounting policy.

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures.

As part of its transition to IFRS, the group elected to re-state only those business combinations that occurred on or after 1 July 2004. In respect of acquisitions prior to 1 July 2004, goodwill represents the amount recognised under the group's previous accounting framework, UK GAAP. For acquisitions on or after 1 July 2004, goodwill represents the excess of the cost of the acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (negative goodwill), it is recognised immediately in the income statement.

After initial recognition, goodwill is stated at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually, and whenever events or changes in circumstances indicate that the carrying value may be impaired. The carrying amount of goodwill allocated to a cash-generating unit is taken into account when determining the gain or loss on disposal of the unit, or of an operation within it.

Other intangible assets

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired separately from a business are carried initially at cost. An intangible asset acquired as part of a business combination is recognised separately from goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably. Expenditure on internally developed intangible assets, excluding development costs, is taken to the income statement in the year in which it is incurred.

Development expenditure is recognised as an intangible asset only after all the following criteria are met:

– the project's technical feasibility and commercial viability can be demonstrated;
– the availability of adequate technical and financial resources and an intention to complete the project have been confirmed; and
– the correlation between development costs and future revenues has been established.

Intangible assets with a finite life are amortised on a straight line basis over their expected useful lives, as follows:

Computer software	–	2 to 5 years
Development expenditure	–	up to 10 years
Brands	–	3 to 20 years

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. In addition, the carrying value of capitalised development expenditure is reviewed for impairment annually and before being brought into use.

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

2 Summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Under IFRS transitional provisions, the group elected to bring in previous valuations of freehold and long leasehold land and buildings at a valuation frozen under FRS15, and these amounts are carried forward at deemed cost.

Freehold land is not depreciated.

The cost of other property, plant and equipment is written off by equal monthly instalments over their estimated useful lives as follows:

Freehold buildings	–	25 to 50 years
Long leasehold property	–	over the period of the lease to a maximum of 50 years
Short leasehold improvements	–	over the period of the lease
Plant and equipment	–	3 to 15 years
Motor vehicles	–	4 to 5 years

Where parts of an item of property, plant and equipment have different useful lives, each part is accounted for as a separate item. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

Impairment of fixed assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. It is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. For the purpose of impairment testing, goodwill is allocated to the related cash-generating units monitored by management, usually at business segment level or business level as the case may be.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the group are classified as finance leases and are capitalised with a corresponding liability being recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments. The interest element of the rental obligation is charged to the statement of comprehensive income in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases and rentals payable are charged in the statement of comprehensive income on a straight line basis over the life of the lease.

Financial assets

When financial assets are recognised initially under IAS39, they are measured at fair value, being the transaction price plus directly attributable transaction costs.

The group's investments are classified as available-for-sale financial assets. As there is no active market for these investments their fair value cannot be reliably measured subsequent to initial recognition, and they are therefore held at cost less impairment.

Inventories

Inventories are valued at the lower of cost and net realisable value on a first in first out basis after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing overheads. The allocation of manufacturing overheads has regard to normal production.

The group holds certain raw materials from suppliers on an inventory held on consignment basis, which are accounted for as consumed. This inventory remains the property of the supplier until used.

2 Summary of significant accounting policies (continued)

Biological assets

Biological assets relate to the value of horticultural inventories at Blackdown greenroofs, which form part of the green roof systems supplied. The assets are measured at fair value, being discounted market value less estimated point-of-sale costs, with any change therein recognised in the statement of comprehensive income. Point-of-sale costs include all costs that would be necessary to sell the assets.

Pension costs

The group operates both defined benefit and defined contribution pension schemes as follows:

(i) Defined benefit pensions

The group operates two principal defined benefit schemes which require deficit reduction contributions to be made to separately administered funds. One of the schemes was closed to future benefit accrual in 2009, the other in 2010, with neither closure resulting in a curtailment gain or loss. Prior to this, benefits were accrued under the career average revalued earnings (CARE) basis.

Prior to the closure of these schemes to future benefit accrual, the cost of providing benefits under the defined benefit plans was determined separately for each plan using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and is based on actuarial advice.

The group determines finance income/expense for the period relating to defined benefit pension schemes by applying the discount rate used for valuing the schemes' liabilities to the value of the net pension liability at the beginning of the year.

The net pension scheme finance costs are charged to finance costs within the statement of comprehensive income.

The expense of administering the pension schemes is recognised in the statement of comprehensive income.

Actuarial gains and losses are recognised in full in the consolidated statement of comprehensive income. These comprise, for scheme assets, the difference between the expected and actual return on assets, and, for scheme liabilities, the difference between the actuarial assumptions and actual experience, and the effect of changes in actuarial assumptions.

The defined benefit pension asset or liability in the statement of financial position comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), and less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is restricted to the sum of any unrecognised past service costs and the present value of any amount the group expects to recover by way of refunds from the plan or reductions in the future contributions.

(ii) Defined contribution pensions

The pension cost charge to the statement of comprehensive income of the group's defined contribution schemes represents the contributions payable by the group to the funds. The assets of the schemes are held separately from those of the group in independently administered funds.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the consolidated statement of comprehensive income.

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

2 Summary of significant accounting policies (continued)

Foreign currencies

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Exchange differences resulting from the settlement of such transactions and from the translation at exchange rates ruling at the year end date of monetary assets and liabilities denominated in currencies other than the functional currency are recognised in the consolidated income statement.

Own shares

The Alumasc Group plc shares held by the group are classified in shareholders' equity as 'own shares' and are recognised at cost. Consideration received for the sale of such shares is also recognised in equity, with any difference between the proceeds from sale and the original cost being taken to reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares.

Equity settled share based payment transactions

The fair value of long term incentive awards and share options granted to employees is recognised as an employee expense from the date of grant, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of shares for which the related service and non-market vesting conditions are met.

Derivative financial instruments and hedging

The group uses derivative financial instruments to hedge its exposure to interest rate and foreign exchange risk.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the statement of comprehensive income. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

The fair value of interest rate cap contracts is determined by reference to market values for similar instruments.

For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such items are expected at inception to be highly effective.

For the purpose of hedge accounting, the hedges used by the group are classified as cash flow hedges, as they hedge exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the Consolidated Statement of Comprehensive Income.

The portion of the gain or loss on a cash flow hedge that is determined to be an effective hedge is initially recognised directly in equity, while the ineffective portion is recognised in the statement of comprehensive income.

Amounts taken to equity are transferred to the income statement at the time when the underlying transaction being hedged affects profit or loss, such as when the forecast sale or purchase of the hedged item occurs. Where the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to profit or loss.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction being hedged occurs and are transferred to the income statement or to the initial carrying amount of a non-financial asset or liability as above. If the related transaction is not expected to occur, the amount is taken to profit or loss.

Information regarding both the qualitative and quantitative characteristics of the group's treasury activities is presented to enable the improved evaluation of the group's exposure to risks arising from financial instruments.

2 Summary of significant accounting policies (continued)

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, and is stated net of rebates, and before VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods.

Tooling
Revenue generated on tooling work is recognised when work on the tool has been completed and it has been accepted by the customer.

Construction contracts
Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the Consolidated Statement of Comprehensive Income in proportion to the stage of completion of the contract.

The stage of completion, in most cases, is assessed by reference to surveys of work performed. When the outcome of a contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the statement of comprehensive income.

Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when there is objective evidence that the group will not be able to recover balances in full.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance costs. Borrowing costs are recognised as an expense over the period to the maturity of the underlying instrument.

Provisions

A provision is recognised when the group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the group expects some or all of a provision to be reimbursed, for example under an insurance policy, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

New standards and interpretations not applied

The group has considered all new standards and interpretations that are endorsed but not effective at the year end and views that there will be no significant impact on the financial statements next year.

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

3 Revenue

Revenue disclosed in the statement of comprehensive income from continuing operations is analysed as follows:

	2014/15 £000	2013/14 (re-stated) £000
Revenue arising from:		
Sales of goods	**80,034**	67,088
Sales of tooling	**486**	514
Recognised on construction contracts	**17,562**	21,255
Revenue (per statement of comprehensive income)	**98,082**	88,857
Rental income	**32**	70
Finance income (note 9)	**5**	10
Total income	**98,119**	88,937

4 Segmental analysis – continuing operations

In accordance with IFRS8 "Operating Segments", the segmental analysis below follows the group's internal management reporting structure.

The Chief Executive reviews internal management reports on a monthly basis, with performance being measured based on segmental operating result as disclosed below. Performance is measured on this basis as management believes this information is the most relevant when evaluating the impact of strategic decisions.

Inter-segment transactions are entered into applying normal commercial terms that would be available to third parties. Segment results, assets and liabilities include those items directly attributable to a segment. Unallocated assets comprise cash and cash equivalents, deferred tax assets, income tax recoverable and corporate assets that cannot be allocated on a reasonable basis to a reportable segment. Unallocated liabilities comprise borrowings, employee benefit obligations, deferred tax liabilities, income tax payable and corporate liabilities that cannot be allocated on a reasonable basis to a reportable segment.

Analysis by reportable segment 2014/15

	Revenue			
	External £000	Inter-segment £000	Total £000	Segmental Operating Result £000
Solar Shading & Screening	16,007	–	16,007	929
Roofing & Walling	32,837	–	32,837	3,758
Energy Management	**48,844**	**–**	**48,844**	**4,687**
Construction Products	17,542	–	17,542	2,094
Rainwater, Drainage & House Building Products	23,909	33	23,942	3,018
Water Management & House Building Products	**41,451**	**33**	**41,484**	**5,112**
Building Products	**90,295**	**33**	**90,328**	**9,799**
Dyson Diecastings	7,787	272	8,059	708
Elimination/Unallocated costs	–	(305)	(305)	(1,485)
Total	**98,082**	**–**	**98,082**	**9,022**

	£000
Segmental operating result	9,022
Brand amortisation	(268)
IAS19 pension scheme administration costs	(455)
Total operating profit from continuing operations	**8,299**

4 Segmental analysis – continuing operations (continued)

Analysis by reportable segment 2014/15 (continued)

			Capital expenditure			
	Segment Assets £000	Segment Liabilities £000	Property, Plant & Equipment £000	Other Intangible Assets £000	Depreciation £000	Amortisation £000
Solar Shading & Screening	18,171	(4,708)	127	267	46	168
Roofing & Walling	13,225	(7,876)	64	5	127	11
Energy Management	**31,396**	**(12,584)**	**191**	**272**	**173**	**179**
Construction Products	7,847	(3,366)	112	8	206	14
Rainwater, Drainage & House Building Products	12,706	(5,283)	586	137	435	118
Water Management & House Building Products	**20,553**	**(8,649)**	**698**	**145**	**641**	**132**
Building Products	**51,949**	**(21,233)**	**889**	**417**	**814**	**311**
Dyson Diecastings	4,475	(1,527)	135	5	245	7
Unallocated & Discontinued	11,470	(29,205)	140	–	889	21
Total	**67,894**	**(51,965)**	**1,164**	**422**	**1,948**	**339**

Analysis by reportable segment 2013/14 (re-stated)

	Revenue			
	External £000	Inter-segment £000	Total £000	Segmental Operating Result £000
Solar Shading & Screening	16,339	–	16,339	507
Roofing & Walling	26,927	–	26,927	2,929
Energy Management	**43,266**	**–**	**43,266**	**3,436**
Construction Products	15,534	–	15,534	1,676
Rainwater, Drainage & House Building Products	21,501	60	21,561	2,865
Water Management & House Building Products	**37,035**	**60**	**37,095**	**4,541**
Building Products	**80,301**	**60**	**80,361**	**7,977**
Dyson Diecastings	8,556	322	8,878	1,120
Elimination/Unallocated costs	–	(382)	(382)	(1,332)
Total	**88,857**	**–**	**88,857**	**7,765**

	£000
Segmental operating result	7,765
Brand amortisation	(268)
IAS19 pension scheme administration costs	(452)
Total operating profit from continuing operations	**7,045**

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

4 Segmental analysis – continuing operations (continued)

Analysis by reportable segment 2013/14 (re-stated) (continued)

	Segment Assets £000	Segment Liabilities £000	Capital expenditure: Property, Plant & Equipment £000	Capital expenditure: Other Intangible Assets £000	Depreciation £000	Amortisation £000
Solar Shading & Screening	17,914	(4,818)	16	50	49	168
Roofing & Walling	12,387	(6,208)	203	12	132	10
Energy Management	**30,301**	**(11,026)**	**219**	**62**	**181**	**178**
Construction Products	7,291	(2,947)	211	97	176	38
Rainwater, Drainage & House Building Products	13,095	(5,319)	373	7	414	133
Water Management & House Building Products	**20,386**	**(8,266)**	**584**	**104**	**590**	**171**
Building Products	**50,687**	**(19,292)**	**803**	**166**	**771**	**349**
Dyson Diecastings	16,791	(6,643)	27	4	179	19
Unallocated & Discontinued	6,071	(30,572)	403	5	1,109	13
Total	**73,549**	**(56,507)**	**1,233**	**175**	**2,059**	**381**

Analysis by geographical segment 2014/15

	United Kingdom £000	Europe £000	North America £000	Middle East £000	Far East £000	Rest of World £000	Total £000
Sales to external customers	**88,738**	**3,058**	**2,004**	**2,134**	**1,526**	**622**	**98,082**
Segment non-current assets	**26,808**	**–**	**–**	**–**	**1**	**–**	**26,809**

Analysis by geographical segment 2013/14 (re-stated)

	United Kingdom £000	Europe £000	North America £000	Middle East £000	Far East £000	Rest of World £000	Total £000
Sales to external customers	77,008	3,362	4,524	1,795	1,155	1,013	88,857
Segment non-current assets	31,279	–	–	–	35	–	31,314

Segment revenue by geographical segment represents revenue from external customers based upon the geographical location of the customer. The analyses of segment non-current assets are based upon location of the assets.

5 Non-underlying items

	2014/15 £000	2013/14 £000
Brand amortisation	**(268)**	(268)
IAS19 pension scheme administration costs	**(455)**	(452)
IAS19 net pension scheme finance costs (note 9)	**(711)**	(448)
	(1,434)	(1,168)

6 Discontinued operations

Discontinued operations relate to the sale of the trade and assets of Pendock Profiles in September 2014 and the sale of the trade and assets of Alumasc Precision Components in June 2015. Further details are provided in the Strategic Report on page 12. The results of discontinued operations included in the consolidated statement of comprehensive income are as follows:

	Alumasc Precision Components Period to 26 June 2015 £000	Pendock Profiles Period to 30 September 2014 £000	Total £000
Year ended 30 June 2015			
Revenue	16,672	785	17,457
Cost of sales	(17,140)	(530)	(17,670)
Gross (loss)/profit	(468)	255	(213)
Net operating expenses	(1,191)	(200)	(1,391)
Operating (loss)/profit	(1,659)	55	(1,604)
Non-cash (loss)/gain on disposal of discontinued operations	(300)	862	562
Costs of disposal of discontinued operations	(1,040)	(92)	(1,132)
(Loss)/gain before taxation	(2,999)	825	(2,174)
Tax credit/(charge)	1,205	(12)	1,193
(Loss)/profit after taxation	**(1,794)**	**813**	**(981)**

	Alumasc Precision Components £000	Pendock Profiles £000	Total £000
Year ended 30 June 2014			
Revenue	21,420	3,125	24,545
Cost of sales	(21,385)	(2,144)	(23,529)
Gross profit	35	981	1,016
Net operating expenses	(1,353)	(650)	(2,003)
Operating (loss)/profit	(1,318)	331	(987)
Tax credit/(charge)	319	(80)	239
(Loss)/profit after taxation	**(999)**	**251**	**(748)**

The net cash flows attributable to discontinued operations are as follows:

	Alumasc Precision Components Period to 26 June 2015 £000	Pendock Profiles Period to 30 September 2014 £000	Total £000
Year ended 30 June 2015			
Operating cash flows	(134)	(60)	(194)
Investing cash flows	4,624	1,363	5,987
Net cash inflow	**4,490**	**1,303**	**5,793**

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

6 Discontinued operations (continued)

	Alumasc Precision Components £000	Pendock Profiles £000	Total £000
Year ended 30 June 2014			
Operating cash flows	(497)	337	(160)
Investing cash flows	(418)	(5)	(423)
Net cash (outflow)/inflow	**(915)**	**332**	**(583)**

Details of the sale of the trade and assets of Alumasc Precision Components and Pendock Profiles are as follows:

	Alumasc Precision Components £000	Pendock Profiles £000	Total £000
Sales proceeds	5,800	1,500	7,300
Assets disposed of:			
Land and buildings	1,043	–	1,043
Plant and equipment	2,631	78	2,709
Working capital	2,426	560	2,986
(Loss)/gain on disposal	(300)	862	562
Costs of disposal	(1,040)	(92)	(1,132)
Net (loss)/gain on disposal	**(1,340)**	**770**	**(570)**

Included within the Alumasc Precision Components costs of disposal of £1,040,000 are consequential intra-group restructuring costs of £171,000 and insurance run-off premium costs of £270,000.

7 Expenses by nature

The following items have been charged/(credited) in arriving at operating profit:

			2014/15			2013/14
	Continuing operations £000	**Discontinued operations £000**	**Total £000**	Continuing operations £000	Discontinued operations £000	Total £000
Raw materials and consumables	**48,655**	**8,110**	**56,765**	44,172	13,253	57,425
Depreciation of property, plant and equipment	**1,157**	**791**	**1,948**	1,175	877	2,052
Intangible assets amortisation	**64**	**7**	**71**	113	7	120
Brand amortisation	**268**	**–**	**268**	268	–	268
(Gain)/loss on disposal of property, plant and equipment	**(14)**	**(9)**	**(23)**	3	(6)	(3)
Foreign exchange (gains)/losses	**(67)**	**77**	**10**	91	(16)	75
Employee benefit expense	**23,259**	**4,592**	**27,851**	20,312	6,218	26,530
Pension scheme administration costs	**455**	**–**	**455**	452	–	452
Operating lease payments	**955**	**34**	**989**	1,047	75	1,122
Income from property operating leases	**(32)**	**–**	**(32)**	(70)	–	(70)
Research and development	**255**	**–**	**255**	236	–	236
Auditor's remuneration:						
Audit of these financial statements	**60**	**–**	**60**	56	–	56
Audit of financial statements of subsidiaries pursuant to legislation	**64**	**34**	**98**	63	28	91
Other operating charges	**14,704**	**5,425**	**20,129**	13,894	5,096	18,990
	89,783	**19,061**	**108,844**	81,812	25,532	107,344

8 Employee costs and numbers

	2014/15			2013/14		
	Continuing operations £000	**Discontinued operations £000**	**Total £000**	Continuing operations £000	Discontinued operations £000	Total £000
Employee benefit expense:						
Wages and salaries	**20,483**	**4,144**	**24,627**	17,899	5,625	23,524
Social security	**2,195**	**353**	**2,548**	1,925	497	2,422
Pension costs (note 24)						
– defined contribution plans	**581**	**95**	**676**	488	96	584
– IAS19 pension scheme administration costs	**455**	**–**	**455**	452	–	452
– IAS19 net pension scheme finance costs	**711**	**–**	**711**	448	–	448
	24,425	**4,592**	**29,017**	21,212	6,218	27,430

Pension costs include total defined benefit pension scheme costs of £1,166,000 (2013/14: £900,000).

	2014/15 Number	2013/14 Number
Average number of employees:		
Building products	**462**	431
Engineering products	**96**	97
Continuing operations	**558**	528
Discontinued operations	**211**	247
	769	775

9 Net finance costs

		2014/15 £000	2013/14 £000
Finance income	– Bank interest	**(5)**	(10)
Finance costs	– Bank loans and overdrafts	**85**	68
	– Revolving credit facility	**512**	463
		597	531
	– IAS19 net pension scheme finance costs	**711**	448
		1,308	979

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

10 Tax expense

(a) Tax on profit on ordinary activities

Tax charged in the statement of comprehensive income

	2014/15 £000	2013/14 (re-stated) £000
Current tax:		
UK corporation tax – continuing operations	**1,138**	1,168
– discontinued operations	**(297)**	(197)
Overseas tax	**11**	30
Amounts under/(over) provided in previous years	**39**	(26)
Total current tax	**891**	975
Deferred tax:		
Origination and reversal of temporary differences:		
– continuing operations	**483**	291
– discontinued operations	**(896)**	(42)
Amounts over provided in previous years	**(56)**	–
Rate change adjustment	**24**	(176)
Total deferred tax	**(445)**	73
Total tax expense	**446**	1,048
Tax charge on continuing operations	**1,639**	1,287
Tax credit on discontinued operations	**(1,193)**	(239)
Total tax expense	**446**	1,048
Tax recognised in other comprehensive income		
Deferred tax:		
Actuarial losses on pension schemes	**(945)**	(1,618)
Cash flow hedge	**(43)**	(20)
Tax credited to other comprehensive income	**(988)**	(1,638)
Total tax credit in the statement of comprehensive income	**(542)**	(590)

(b) Reconciliation of the total tax charge

The total tax rate applicable to the tax expense shown in the statement of total comprehensive income of 9.2% is lower than (2013/14: 20.6% was lower than) the standard rate of corporation tax in the UK of 20.75% (2013/14: 22.5%). The differences are reconciled below:

	2014/15 £000	2013/14 (re-stated) £000
Profit before tax from continuing operations	**6,996**	6,076
Loss before tax from discontinued operations	**(2,174)**	(987)
Accounting profit before tax	**4,822**	5,089
Current tax at the UK standard rate of 20.75% (2013/14: 22.5%)	**1,001**	1,145
Expenses not deductible for tax purposes	**212**	105
Chargeable gains/use of capital losses	**(774)**	–
Rate change adjustment	**24**	(176)
Tax under/(over) provided in previous years – current tax	**39**	(26)
Tax over provided in previous years – deferred tax	**(56)**	–
	446	1,048

The group's total tax charge in 2014/15 of £446,000 (2013/14: £1,048,000) benefited from the impact of business disposals where capital gains on sale of assets were shielded by indexation allowances and capital losses brought forward.

10 Tax expense (continued)

(c) Unrecognised tax losses

Following utilisation of £1 million of capital losses brought forward, the group has agreed tax capital losses in the UK amounting to £20 million (2014: £21 million) that relate to prior years. Under current legislation these losses are available for offset against future chargeable gains. A deferred tax asset has not been recognised in respect of these losses, as they do not meet the criteria for recognition.

Revaluation gains on land and buildings amount to £1 million (2014: £1 million). These have been offset against the capital losses detailed above, therefore net capital losses carried forward amount to £19 million (2014: £20 million). The capital losses are able to be carried forward indefinitely.

(d) Deferred tax

A reconciliation of the movement in deferred tax during the year is as follows:

	Accelerated capital allowances £000	Short term temporary differences £000	Brands £000	Hedging £000	Total deferred tax liability £000	Pension deferred tax asset £000
At 1 July 2013	895	(44)	650	14	1,515	(2,314)
(Credited)/charged to the statement of comprehensive income – current year	(171)	34	(138)	–	(275)	348
Credited to equity	–	–	–	(20)	(20)	(1,618)
At 1 July 2014	724	(10)	512	(6)	1,220	(3,584)
(Credited)/charged to the statement of comprehensive income – current year	**(649)**	**(28)**	**(54)**	**–**	**(731)**	**342**
Credited to the statement of comprehensive income – prior year	**(56)**	**–**	**–**	**–**	**(56)**	**–**
Credited to equity	**–**	**–**	**–**	**(43)**	**(43)**	**(945)**
At 30 June 2015	**19**	**(38)**	**458**	**(49)**	**390**	**(4,187)**

Deferred tax assets and liabilities are presented as non-current in the consolidated statement of financial position.

Deferred tax assets have been recognised where it is probable that they will be recovered. Deferred tax assets of £3.8 million (2014: £4.0 million) have not been recognised in respect of net capital losses of £19 million (2014: £20 million).

(e) Factors affecting the tax charge in future periods

In the Budget on 8 July 2015, the UK Government announced its intention to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. Existing temporary differences on which deferred tax has been provided may therefore unwind in future periods at these reduced rates. These rate changes were included in the Summer Finance Bill 2015 but this was not substantively enacted at the balance sheet date. Deferred tax assets and liabilities have been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

11 Dividends

	2014/15 £000	2013/14 £000
Interim dividend for 2015 of 2.5p paid on 7 April 2015	**891**	–
Final dividend for 2014 of 2.8p paid on 5 November 2014	**998**	–
Interim dividend for 2014 of 2.2p paid on 8 April 2014	**–**	784
Final dividend for 2013 of 2.5p paid on 31 October 2013	**–**	891
	1,889	1,675

A final dividend of 3.5 pence per equity share, at a cash cost of £1,248,000, has been proposed for the year ended 30 June 2015, payable on 28 October 2015. In accordance with IFRS accounting requirements this dividend has not been accrued in these consolidated financial statements.

12 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary equity shareholders of the parent by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by dividing the net profit attributable to ordinary equity shareholders of the parent by the weighted average number of ordinary shares in issue during the period, after allowing for the exercise of outstanding share options. The following sets out the income and share data used in the basic and diluted earnings per share calculations:

	2014/15 £000	2013/14 (re-stated) £000
Profit attributable to equity holders of the parent – continuing operations	**5,357**	4,789
Profit attributable to equity holders of the parent – discontinued operations	**(981)**	(748)
Net profit attributable to equity holders of the parent	**4,376**	4,041

	000s	000s
Basic weighted average number of shares	**35,648**	35,648
Dilutive potential ordinary shares – employee share options	**567**	447
	36,215	36,095

Calculation of underlying earnings per share from continuing operations:

	2014/15 £000	2013/14 (re-stated) £000
Reported profit before taxation from continuing operations	**6,996**	6,076
Add: brand amortisation	**268**	268
Add: IAS19 pension scheme administration costs	**455**	452
Add: IAS19 net pension scheme finance costs	**711**	448
Underlying profit before taxation from continuing operations	**8,430**	7,244
Tax at underlying group tax rate of 22.0% (2013/14: 24.2%)	**(1,855)**	(1,753)
Underlying earnings from continuing operations	**6,575**	5,491
Basic weighted average number of shares	**35,648**	35,648
Underlying earnings per share from continuing operations	**18.4p**	15.4p

13 Property, plant and equipment

	Freehold land and buildings £000	Long leasehold property £000	Short leasehold improvements £000	Plant & equipment £000	Total £000
Cost					
At 1 July 2013	10,850	235	445	36,047	47,577
Additions	124	–	19	1,090	1,233
Disposals	–	–	(24)	(895)	(919)
At 1 July 2014	10,974	235	440	36,242	47,891
Additions	**41**	**–**	**–**	**1,123**	**1,164**
Disposal of business activities	**(5,253)**	**–**	**(91)**	**(19,460)**	**(24,804)**
Disposals	**–**	**–**	**(59)**	**(908)**	**(967)**
At 30 June 2015	**5,762**	**235**	**290**	**16,997**	**23,284**
Accumulated depreciation and impairment losses					
At 1 July 2013	5,020	161	386	29,138	34,705
Depreciation charge for year	335	20	26	1,678	2,059
On disposals	–	–	(24)	(888)	(912)
At 1 July 2014	5,355	181	388	29,928	35,852
Depreciation charge for year	**221**	**20**	**8**	**1,699**	**1,948**
Disposal of business activities	**(3,892)**	**–**	**(91)**	**(17,049)**	**(21,032)**
On disposals	**–**	**–**	**(59)**	**(898)**	**(957)**
At 30 June 2015	**1,684**	**201**	**246**	**13,680**	**15,811**
Net book value at 30 June 2015	**4,078**	**34**	**44**	**3,317**	**7,473**
Net book value at 30 June 2014	5,619	54	52	6,314	12,039
Net book value at 1 July 2013	5,830	74	59	6,909	12,872

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

14 Goodwill

	2015 £000	2014 £000
Cost:		
At 1 July 2014 and 30 June 2015	**17,211**	17,211
Impairment:		
At 1 July 2014 and 30 June 2015	**723**	723
Net book value at 30 June	**16,488**	16,488

Goodwill acquired through acquisitions has been allocated to cash generating units for impairment testing as set out below:

	2015 £000	2014 £000
Building Products division:		
Alumasc Roofing	**3,820**	3,820
Timloc	**2,264**	2,264
Levolux	**10,179**	10,179
Rainclear Systems	**225**	225
At 30 June	**16,488**	16,488

Impairment testing of acquired goodwill

The group considers each of the operating businesses that have goodwill allocated to them, which are those units for which a separate cashflow is computed, to be a cash generating unit (CGU). Each CGU is reviewed annually for indicators of impairment. In assessing whether an asset has been impaired, the carrying amount of the CGU is compared to its recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. In the absence of any information about the fair value of a CGU, the recoverable amount is deemed to be its value in use. Each of the CGUs are either operating segments as shown in note 4, or sub-sets of those operating segments.

For the purpose of impairment testing, the recoverable amount of CGUs is based on value in use calculations. The value in use is derived from discounted management cash flow forecasts for the businesses, based on budgets and strategic plans covering a five year period.

The growth rate used to extrapolate the cash flows beyond this period was 1% (2014: 1%) for each CGU.

Key assumptions included in the recoverable amount calculation include:

(i) Revenues
(ii) Gross margins
(iii) Overhead costs

Each assumption has been considered in conjunction with the local management of the relevant operating businesses who have used their past experience and expectations of future market and business developments in arriving at the figures used.

The range of pre-tax rates used to discount the cash flows of these cash generating units with on balance sheet goodwill was between 10% and 13% (2014: between 10% and 13%). These rates were based on the group's estimated weighted average cost of capital (W.A.C.C.), which was risk-adjusted for the specific circumstances of each CGU. The group's W.A.C.C. in 2015 was similar to the rate used in 2014.

The surplus headroom above the carrying value of goodwill at 30 June 2015 was significant in the case of Timloc, Levolux and Rainclear Systems, with no impairment arising from either a 2% increase in the discount rate; a growth rate of -1% used to extrapolate the cash flows; or a reduction of 25% in the cash flow generated in the terminal year for any CGU.

The carrying value of acquired goodwill in the cases of Blackdown and Roof-Pro was highlighted in the group's 2014 annual report as being at ongoing risk of impairment. Both businesses began to be restructured in the 2013/14 year to improve their performance and reduce cost, including sharing external sales and overhead functions with Alumasc's wider Roofing business. During the 2014/15 financial year both Blackdown and Roof-Pro became fully integrated within Alumasc's Roofing business and, as a result, profits and cash flows are now measured and managed at an overall Roofing business level only. Accordingly, testing for impairment of goodwill is now also carried out at the Roofing business level, this being the smallest cash generating unit in the organisation that relevant cash flows are measured. In respect of Alumasc's Roofing business as a whole there is significant headroom above the carrying value of goodwill at 30 June 2015, with no impairment arising from either a 2% increase in the discount rate; a growth rate of -1% used to extrapolate the cash flows; or a reduction of 25% in the cash flow generated in the terminal year for that CGU.

15 Other intangible assets

	Brands £000	Development expenditure £000	Computer software £000	Total £000
Cost:				
At 1 July 2013	4,515	166	2,118	6,799
Additions	–	–	175	175
Disposals	–	–	(110)	(110)
At 1 July 2014	4,515	166	2,183	6,864
Additions	**–**	**–**	**422**	**422**
Disposal of business activities	**(226)**	**(166)**	**(482)**	**(874)**
Disposals	**–**	**–**	**(16)**	**(16)**
At 30 June 2015	**4,289**	**–**	**2,107**	**6,396**
Accumulated amortisation:				
At 1 July 2013	1,687	166	1,970	3,823
Amortisation for the year	268	–	113	381
On disposals	–	–	(110)	(110)
At 1 July 2014	1,955	166	1,973	4,094
Amortisation for the year	**268**	**–**	**71**	**339**
Disposal of business activities	**(226)**	**(166)**	**(461)**	**(853)**
On disposals	**–**	**–**	**(15)**	**(15)**
At 30 June 2015	**1,997**	**–**	**1,568**	**3,565**
Net book value at 30 June 2015	**2,292**	**–**	**539**	**2,831**
Net book value at 30 June 2014	2,560	–	210	2,770
Net book value at 1 July 2013	2,828	–	148	2,976

The Levolux brand is being amortised over a life of 20 years from May 2007.

The Rainclear brand is being amortised over a life of 5 years from December 2012.

The Blackdown brand is fully amortised.

16 Financial asset investments

	£000
Cost:	
At 1 July 2014 and 30 June 2015	**17**

The group holds 20% of the share capital of Amorim Isolamentos SA, a specialist cork insulation product manufacturer and distributor, which is incorporated and operates in Portugal. In the Directors' opinion, the degree of influence exercised over Amorim Isolamentos SA is insufficient to justify its treatment as an associate.

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

17 Inventories

	2015 £000	2014 £000
Raw materials	**2,273**	3,489
Work in progress	**1,255**	2,823
Finished goods	**7,064**	6,211
	10,592	12,523

During the year the group's inventory provision in relation to continuing operations decreased by £40,000 (2014: increased by £108,000). At 30 June 2015 the group's inventory provision was £1,055,000 (2014: £1,248,000).

18 Biological assets

	2015 £000	2014 £000
At 1 July	**171**	163
Increases from purchases	**–**	40
Decreases from sales	**(40)**	(32)
(Loss)/gain from change in fair value less costs to sell	**(21)**	6
Decrease due to natural damage	**(35)**	(6)
At 30 June	**75**	171

19 Trade and other receivables

	2015 £000	2014 £000
Trade receivables	**13,787**	16,798
Construction contracts	**5,229**	4,089
Other receivables	**207**	470
Prepayments and accrued income	**1,094**	2,336
	20,317	23,693

Trade receivables are non-interest bearing, are generally on terms of 30-90 days and are shown net of provisions for impairment. As at 30 June 2015, trade receivables at nominal value of £240,000 (2014: £204,000) were impaired and provided for. Movements in the provision for impairment of receivables were as follows:

	2015 £000	2014 £000
At 1 July	**204**	318
Charge/(credit) for the year	**64**	(94)
Disposal of business activities	**(7)**	–
Amounts written off	**(21)**	(20)
At 30 June	**240**	204

Included within the total provision for impairment is £73,000 (2014: £107,000) in relation to provisions against construction contracts.

20 Trade and other payables

	2015 £000	2014 £000
Trade payables	**15,539**	18,620
Other taxation and social security	**1,913**	1,547
Other payables	**838**	997
Construction deposits received on account	**390**	226
Accruals	**3,722**	2,545
Deferred income	**936**	1,759
	23,338	25,694

21 Construction contracts

Details of amounts due from and to customers for contract work as at 30 June are included in notes 19 and 20. For contracts in progress at 30 June 2015, the amount of contract costs incurred plus recognised profits less recognised losses to date, ie; contract revenue recognised, was £23,246,000 (2014: £22,812,000). These contracts were on average 65% complete at 30 June 2015 (2014: 70%). The level of payments received in advance of profit recognised at 30 June 2015 was £nil (2014: £nil).

22 Borrowings

	2015 £000	2014 £000
Current liabilities:		
Current instalments due on bank loan	**5,000**	–
Non-current liabilities:		
Non-current instalments due on bank loan	**–**	9,890

The bank loan outstanding at 30 June 2015 was part of an unsecured committed £20 million revolving credit facility ("RCF") drawn down against one month LIBOR. The following financial covenants applied to the facility: group interest cover, based on underlying EBITDA (i.e. from continuing operations and before non-recurring items), to be at least four times; and net debt as a multiple of underlying EBITDA (i.e. from continuing operations and before non-recurring items) to be below three times. Group interest cover was 17.3 times at 30 June 2015 (2014: 17.2 times) whilst the net debt multiple (net debt plus contingent liabilities) was 0.1 times at 30 June 2015 (2014: 1.0 times). At 30 June 2015 the group also had £3 million (2014: £3 million) of bank overdraft facilities repayable on demand.

Following the year end the group signed a new five year £30 million RCF, which consists of a £12.5 million committed element and a £17.5 million uncommitted accordion element. The group has the option to cancel and repay elements of the committed facility at short notice should it wish to do so and the associated financial covenants are the same as those in the previous facility, as detailed above. The facility has a final maturity date of 13 August 2020.

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

23 Financial instruments

Financial risk management

The group's treasury activities are carried out in accordance with policies set by the Board. The purpose of treasury policies is to ensure that adequate, cost effective funding is available to the group at all times and that exposure to interest rate, foreign exchange and counterparty risks are managed within acceptable levels. The group uses derivative financial instruments as economic hedges to manage foreign exchange and interest rate risks. It is the group's policy that no trading in financial instruments is undertaken. Hedge accounting treatment has been applied to all of these hedging activities. All derivative financial instruments are measured at fair value at each balance sheet date.

Financial assets and liabilities

Set out below is a comparison by category of carrying amounts and fair values of all the group's financial assets and liabilities:

	30 June 2015		30 June 2014	
	Carrying amount £000	**Fair value £000**	Carrying amount £000	Fair value £000
Financial assets:				
Available-for-sale financial assets	**17**	**17**	17	17
Cash and cash equivalents	**5,914**	**5,914**	2,224	2,224
Trade receivables	**13,787**	**13,787**	16,798	16,798
Construction contracts	**5,229**	**5,229**	4,089	4,089
Other receivables	**207**	**207**	470	470
Derivative financial assets	**–**	**–**	40	40
	25,154	**25,154**	23,638	23,638
Financial liabilities:				
Bank loans	**5,000**	**5,000**	9,890	9,890
Trade and other payables	**21,035**	**21,035**	23,921	23,921
Derivative financial liabilities	**247**	**247**	68	68
	26,282	**26,282**	33,879	33,879

Available-for-sale financial assets have been valued at cost. Market values have been used to determine the fair value of bank borrowings. The fair value of interest rate cap transactions has been determined by marking those contracts to market against prevailing/forecast future interest rates. The fair value of forward foreign exchange contracts has been determined by marking those contracts to market against prevailing forward foreign exchange rates.

Trade and other payables balances do not include other taxation and social security costs or construction deposits received on account, as these balances do not meet the definition of financial liabilities in IAS39.

The table below summarises the maturity profile of the group's financial liabilities at 30 June 2015 and 2014 based on contractual undiscounted payments. The total interest bearing loans and borrowings value in the table below includes future unaccrued interest, whilst the bank overdraft and loans balance in the table above shows only the carrying amount at the year end date.

Year ended 30 June 2015	**On demand £000**	**Less than 3 months £000**	**3 to 12 months £000**	**1 to 5 years £000**	**Total £000**
Interest bearing loans and borrowings	**–**	**47**	**6,009**	**–**	**6,056**
Trade and other payables	**1,760**	**18,275**	**946**	**8**	**20,989**
	1,760	**18,322**	**6,955**	**8**	**27,045**

Year ended 30 June 2014	On demand £000	Less than 3 months £000	3 to 12 months £000	1 to 5 years £000	Total £000
Interest bearing loans and borrowings	–	160	512	10,507	11,179
Trade and other payables	2,525	20,828	480	8	23,841
	2,525	20,988	992	10,515	35,020

23 Financial instruments (continued)

Liquidity risk management

The group manages liquidity risk by monitoring its net debt position regularly and ensuring that committed and uncommitted banking facilities are in place to provide adequate headroom for anticipated future cash flows. Details of the facilities are given in note 22. The group's net cash position at 30 June 2015 was £0.9 million (2014: net debt £7.7 million).

Details of the group's policies and procedures for managing capital are given within the Financial Review on page 15.

The maturity profile of the group's interest bearing financial liabilities is as follows:

	2015 £000	2014 £000
Floating rate interest bearing financial liabilities:		
In less than one year	**5,000**	–
In two to five years	**–**	9,890
	5,000	9,890

Interest rate risk management

The group had no net indebtedness at 30 June 2015. It is the group's policy and intention to hedge against significant upwards movement in LIBOR, typically using interest rate Caps or Swaps should the income statement become exposed to material interest rate risk in future.

The group's marginal pre-tax cost of debt finance at interest rates in place at 30 June 2015 under the banking facilities in existence at that time was approximately 3.7% (2014: 3.7%).

The floating rate financial liabilities comprise the revolving credit facility in existence at the balance sheet date that bears interest based on LIBOR.

Following the sale of Alumasc Precision Components, the impact of a reasonable possible change in interest rates on the group's profit before tax through the impact of floating rate borrowings is not considered material.

Credit risk

The risk of financial loss due to a counterparty's failure to honour its obligations arises principally in relation to transactions where the group provides goods and services on deferred terms. There are no concentrations of credit risk which amount to more than 10% of group revenues. The maximum credit risk exposure relating to financial assets is represented by its carrying value less amounts recoverable from credit insurance contracts, where applicable, as at the balance sheet date and is limited to the value of trade and other receivables. In addition the group may from time to time have credit exposures relating to bespoke inventories. The group's cash deposits are only lodged with approved institutions that have strong credit ratings.

Group policies are aimed at minimising credit losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit terms to ensure that the group's exposure to bad debts is minimised. Goods may be sold on a payment with order basis to mitigate credit risk. Most group businesses purchase credit insurance and the group increased its overall levels of credit insurance during the prior financial year.

At 30 June, the analysis of trade and other receivables that were past due but not impaired is as follows:

			Past due but not impaired			
Year ended 30 June 2015	**Total £000**	**Not past due £000**	**< 30 days £000**	**30-60 days £000**	**60-90 days £000**	**> 90 days £000**
Trade receivables	**13,787**	**10,750**	**2,363**	**480**	**110**	**84**
Construction contracts	**5,229**	**3,409**	**839**	**497**	**123**	**361**
Other receivables	**207**	**207**	**–**	**–**	**–**	**–**
	19,223	**14,366**	**3,202**	**977**	**233**	**445**

			Past due but not impaired			
Year ended 30 June 2014	Total £000	Not past due £000	< 30 days £000	30-60 days £000	60-90 days £000	> 90 days £000
Trade receivables	16,798	12,278	3,516	647	198	159
Construction contracts	4,089	2,695	453	311	236	394
Other receivables	470	400	36	34	–	–
	21,357	15,373	4,005	992	434	553

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

23 Financial instruments (continued)

Foreign currency risk

The group has transactional currency exposures. Such exposures arise from sales or purchases by operating companies in currencies other than the companies' operating currency (mainly Pounds Sterling). Transactional currency risks are managed by offsetting as far as possible purchases and sales by group companies in the same currency. A proportion of the residual risk is managed, where appropriate, through the use of forward currency contracts.

None of the derivative financial instruments held at 30 June 2015 or 30 June 2014 related to derivative trading activity. Where cash flow hedge accounting is applied, gains or losses on the financial instrument hedges are held in equity and only recognised in the consolidated income statement when the losses or gains on the hedged transactions are recognised in the consolidated income statement.

The following shows the amounts of foreign currency denominated receivables, payables and cash balances at 30 June stated in local currency:

	2015			2014		
	Receivable 000	**Payable 000**	**Cash 000**	Receivable 000	Payable 000	Cash 000
Euros	**154**	**(1,642)**	**213**	896	(337)	218
US Dollars	**1,387**	**(1,648)**	**160**	1,620	(1,799)	247
Hong Kong Dollars	**1,297**	**(22)**	**1,778**	198	(18)	1,509
Chinese Yuan	**–**	**(106)**	**1,543**	1,710	(307)	978

The following table demonstrates the impact on the group's profit after tax and equity when the fair value of monetary asset and liabilities at 30 June are retranslated at exchange rates either 10% above or below the year end exchange rate:

			Effect on profit after tax and equity			
		Exchange rate change	US $ £000	Euro £000	Hong Kong $ £000	Chinese Yuan £000
2015	**Increase**	**+10%**	**(185)**	**(129)**	**(23)**	**(15)**
	Decrease	**–10%**	**226**	**158**	**28**	**19**
2014	Increase	+10%	(195)	(106)	(12)	(26)
	Decrease	–10%	238	129	14	31

Hedging activities

The net fair values of the group's derivative financial instruments at 30 June designated as hedging instruments are set out below:

	2015 £000	2014 £000
Forward foreign exchange contracts	**(247)**	(68)
Interest rate cap instruments	**–**	40
	(247)	(28)

At 30 June 2015 the group had forward foreign exchange contracts with principal amounts equivalent to £3,636,000 (2014: £2,599,000). The forward foreign exchange contracts hedge foreign currency price risks of various currency purchases and sales across the group. The cash flows associated with the forward foreign exchange hedges are generally expected to occur within the next 12 months.

At 30 June 2014 the group had two interest rate caps, one with a notional principal amount of £7.5 million and a maturity date of 23 June 2016, another with a notional principal amount of £5.0 million and a maturity date of 18 May 2015. The unamortised premium of the unexpired interest rate cap at 30 June 2015 was written off following the sale of Alumasc Precision Components as the group no longer had net indebtedness at that point.

The derivative financial instruments carried at fair value have been valued using directly observable market inputs and therefore they are all considered to have been valued at Level 2, as described in the amendments to IFRS7.

24 Retirement benefit obligations

(a) The group's pension schemes

The group operates a number of defined contribution and defined benefit pension schemes, funded by the payment of contributions into separately administered funds. The defined benefit schemes, which have been closed to future accrual since 2010, provide defined benefits based on a career average revalued earnings (CARE) basis.

Defined contribution schemes
Of the amount charged to operating profit in the statement of comprehensive income for pension contributions, £676,000 (2014: £584,000) was in respect of defined contribution schemes. At 30 June 2015 there was an accrual of £17,000 payable in respect of defined contribution schemes (2014: £21,000).

Defined benefit schemes
The two principal defined benefit schemes are The Alumasc Group Pension Scheme and The Benjamin Priest Group Pension Scheme. The rate of contributions to fund the deficits in the schemes is assessed by the schemes' actuary on a triennial basis.

The base level of deficit reduction contributions agreed with the Pension Trustees is £2.5 million per annum. For the 2015/16 financial year only, the group has agreed to pay £2.5 million plus 25% of the amount (if any) by which the group's underlying profit before tax exceeds £8.4 million.

Disclosures in accordance with IAS19 are set out below in respect of the defined benefit schemes.

Pension charges are determined with the advice of an independent qualified actuary on the basis of annual valuations using the projected unit credit method. Under the projected unit method, for closed schemes the amounts allocated to service cost in future periods will tend to be higher as the members of the schemes approach retirement.

The principal assumptions used for the purpose of the IAS19 valuations are set out below.

	The Alumasc Group Scheme 2015 %	**The Benjamin Priest Group Scheme 2015 %**	The Alumasc Group Scheme 2014 %	The Benjamin Priest Group Scheme 2014 %
Discount rate	**3.7**	**3.7**	4.3	4.3
Expected rate of deferred pension increases	**2.3**	**2.3**	2.5	2.5
Future pension increases	**1.7 – 3.7**	**1.7 – 3.7**	1.8 – 3.8	1.8 – 3.8
Retail Price Index inflation rate	**3.3**	**3.3**	3.3	3.3
Consumer Price Index inflation rate	**2.3**	**2.3**	2.5	2.5
	Years	**Years**	Years	Years
Post retirement mortality				
Current pensioners at 65 – male	**22.4**	**21.5**	22.3	21.5
Current pensioners at 65 – female	**24.1**	**23.3**	23.7	22.9
Future pensioners at 65 in 2035 – male	**24.1**	**23.2**	24.1	23.2
Future pensioners at 65 in 2035 – female	**25.6**	**24.5**	24.8	23.9

A discount rate of 3.7% has been used in calculating the present value of liabilities of the pension schemes at 30 June 2015. A 0.1% change to this rate would have changed the present value of the pension fund liabilities at that date by approximately £1,735,000 before tax.

A Retail Price Index inflation rate of 3.3% and a Consumer Price Index inflation rate of 2.3% have been used in calculating the present value of liabilities of the pension schemes at 30 June 2015. A 0.1% change to these rates would have changed the present value of the pension fund liabilities at that date by approximately £757,000 before tax.

In valuing the liabilities of the pension schemes at 30 June 2015, mortality assumptions have been assumed as indicated above. If life expectancy had been changed to assume that all members of the schemes live for one year longer on average, the value of the reported liabilities at 30 June 2015 would have increased by approximately £4,233,000 before tax.

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

24 Retirement benefit obligations (continued)

(a) The group's pension schemes (continued)

The combined assets and liabilities of the schemes at 30 June are:

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Scheme assets at fair value:					
Equities	**42,378**	40,949	34,503	31,475	37,422
Government bonds	**9,016**	8,224	11,417	11,823	10,836
Corporate bonds and insured annuities	**10,820**	10,302	9,738	10,145	8,889
Absolute return fund	**19,836**	21,557	26,948	23,646	24,215
Property	**7,213**	4,762	672	719	1,185
Cash	**902**	779	672	2,077	2,117
	90,165	86,573	83,950	79,885	84,664
Present value of scheme liabilities	**(111,100)**	(104,495)	(94,012)	(94,424)	(87,517)
Defined benefit pension deficit	**(20,935)**	(17,922)	(10,062)	(14,539)	(2,853)

The whole of the defined benefit pension deficit is shown as a non-current liability.

Amounts recognised in the statement of comprehensive income in respect of the defined benefit plans, before taxation, are as follows:

	2014/15 £000	2013/14 £000
Included in net finance cost:		
Net pension scheme finance costs	**(711)**	(448)
Administration costs	**(455)**	(452)
	(1,166)	(900)
Included in other comprehensive income:		
Actuarial gain on plan assets	**2,707**	1,894
Actuarial loss on retirement benefit obligations	**(7,433)**	(11,244)
	(4,726)	(9,350)
Total recognised in the statement of comprehensive income	**(5,892)**	(10,250)

The actual return on plan assets for 2014/15 was a gain of £6,329,000 (2013/14: gain of £5,848,000).

Changes in the present value of the defined benefit obligation before taxation are as follows:

	2015 £000	2014 £000
At 1 July	**(104,495)**	(94,012)
Administration costs	**(455)**	(452)
Interest cost	**(4,333)**	(4,402)
Administrative expenses reimbursed by the group	**455**	398
Benefits paid	**5,161**	5,217
Actuarial loss	**(7,433)**	(11,244)
At 30 June	**(111,100)**	(104,495)

24 Retirement benefit obligations (continued)

(a) The group's pension schemes (continued)

Changes in the fair value of plan assets before taxation are as follows:

	2015 £000	2014 £000
At 1 July	**86,573**	83,950
Expected return on plan assets	**3,622**	3,954
Actuarial gain	**2,707**	1,894
Contributions by employer	**2,879**	2,390
Administrative expenses	**(455)**	(398)
Benefits paid	**(5,161)**	(5,217)
At 30 June	**90,165**	86,573

During the year ended 30 June 2015 £2,500,000 of contributions to the scheme deficit were paid into the defined benefit plans (2014: £1,992,000) to eliminate the past service shortfall over ten years. Further contributions of £379,000 (2014: £398,000) were made by the company to fund the administration expenses and the Pension Protection Fund Levies on the schemes.

The cumulative amount of actuarial losses recognised since 1 July 2004 in the group statement of comprehensive income is £14,591,000 (2013/14: losses of £9,865,000).

25 Provisions

	Dilapidations £000 Note (i)	Warranty £000 Note (ii)	Restructuring £000 Note (iii)	Total £000
At 1 July 2013	591	302	207	1,100
Charge for the year	404	29	12	445
Utilised	(54)	(4)	(219)	(277)
At 1 July 2014	941	327	–	1,268
Charge for the year	**182**	**443**	**285**	**910**
Utilised	**(168)**	**(203)**	**(181)**	**(552)**
At 30 June 2015	**955**	**567**	**104**	**1,626**
At 30 June 2015				
Current liabilities	**–**	**298**	**104**	**402**
Non-current liabilities	**955**	**269**	**–**	**1,224**
	955	**567**	**104**	**1,626**
At 30 June 2014				
Current liabilities	–	221	–	221
Non-current liabilities	941	106	–	1,047
	941	327	–	1,268

(i) Dilapidations
The provision is in respect of a number of the group's leased properties where the group has obligations to make good dilapidations.

The non-current liabilities are estimated to be payable over periods from one to ten years.

(ii) Warranty
Warranty provisions are generally utilised within five years.

(iii) Restructuring
The provision for restructuring costs relates mainly to the Rainwater, Drainage & House Building Products operating segment.

Provisions are not discounted since the impact of reflecting the time value of money on these balances is not considered to be material.

Financial Statements

Notes to the Consolidated Financial Statements

For the year ended 30 June 2015

26 Called up share capital

	2015 £000	2014 £000
Allotted, called up and fully paid:		
36,133,558 (2014: 36,133,558) ordinary shares of 12.5p each	**4,517**	4,517

27 Movements in equity

Share capital and share premium

The balances classified as share capital and share premium are the proceeds of the nominal value and premium value respectively on issue of the company's equity share capital net of issue costs.

Capital reserve – own shares

The capital reserve – own shares relates to 485,171 (2014: 485,171) ordinary own shares held by the company. The market value of shares at 30 June 2015 was £802,958 (2014: £565,224). These are held to help satisfy the exercise of awards under the company's Long Term Incentive Plans. A Trust holds the shares in its name and shares are awarded to employees on request by the company. The company bears the expenses of the Trust.

Hedging reserve

This reserve records the post-tax portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

Foreign currency reserve

This foreign currency reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

28 Share based payments

The company operates two types of share based payment schemes, the main features of each scheme as detailed in the Remuneration Report on pages 33 to 40.

	As at 1 July 2014	Weighted average exercise price (pence)	Granted	Weighted average exercise price (pence)	Exercised	Weighted average exercise price (pence)	Lapsed	Weighted average exercise price (pence)	**As at 30 June 2015**	Weighted average exercise price (pence)
LTIP (i)	912,189	n/a	274,517	n/a	–	n/a	(340,366)	n/a	**846,340**	n/a
ESOS (ii)	553,878	1.19	130,000	1.30	–	–	(184,000)	1.40	**499,878**	1.15

	As at 1 July 2013	Weighted average exercise price (pence)	Granted	Weighted average exercise price (pence)	Exercised	Weighted average exercise price (pence)	Lapsed	Weighted average exercise price (pence)	As at 30 June 2014	Weighted average exercise price (pence)
LTIP (i)	982,415	n/a	289,882	n/a	–	n/a	(360,108)	n/a	912,189	n/a
ESOS (ii)	519,878	1.18	170,000	1.29	–	–	(136,000)	1.25	553,878	1.19

(i) Long term incentive plan.
(ii) Executive share option scheme.

ESOS

For the share options outstanding at 30 June 2015 the weighted average remaining contractual life is 1.3 years (30 June 2014: 1.4 years). The exercise price of the options outstanding ranges between 80 pence and 171 pence. No share options are exercisable at 30 June 2015 (30 June 2014: 34,000).

LTIP

Whilst an estimated amount has been accrued for the vesting of the March 2013 LTIP award, as shown on page 38, that award does not vest until March 2016 and therefore no vesting is shown in the table above.

Fair value of awards

The fair values of awards granted in the year, together with the other inputs into the option pricing model are shown below. The Black-Scholes and the Cox Ross Rubenstein Binomial option pricing models have been used to calculate the fair value of the options and the amount to be expensed in the statement of comprehensive income.

28 Share based payments (continued)

	ESOS		LTIP	
	Black Scholes 2015	Black Scholes 2014	**Black Scholes & Binomial 2015**	Black Scholes & Binomial 2014
Share price at grant date	**156p**	127p	**156p**	127p
Exercise price	**130p**	129p	**nil**	nil
Expected volatility	**25%**	35%	**25%**	35%
Expected life (years)	**3**	3	**3**	3
Risk free rate	**1.0%**	1.0%	**1.0%**	1.0%
Dividend yield at date of grant	**4.2%**	3.3%	**4.2%**	3.3%
Fair value per option	**29p**	25p	**137p**	115p

The expected volatility is based on historical volatility over the last three years. The risk free rate of return is based on the yield on government bonds due to mature on the expected maturity of the award.

The net charge recognised for share based payments in respect of employee services rendered during the year to 30 June 2015 was £300,000 (2013/14: £34,000).

29 Movement in net borrowings

	Cash and bank overdrafts £000	**Bank loans £000**	**Net borrowings £000**
At 1 July 2013	9,147	(16,834)	(7,687)
Cash flow movements	(6,907)	7,000	93
Non-cash movements	–	(56)	(56)
Effect of foreign exchange rates	(16)	–	(16)
At 1 July 2014	2,224	(9,890)	(7,666)
Cash flow movements	**3,672**	**5,000**	**8,672**
Non-cash movements	**–**	**(110)**	**(110)**
Effect of foreign exchange rates	**18**	**–**	**18**
At 30 June 2015	**5,914**	**(5,000)**	**914**

30 Financial commitments

(i) Capital commitments

At 30 June 2015, £49,000 (2014: £156,000) of capital expenditure had been authorised and £49,000 (2014: £53,000) of capital expenditure had been authorised and contracted but not provided for by the group.

(ii) Operating lease commitments

The group has entered into commercial leases on certain properties, motor vehicles and items of plant and equipment. The leases have varying terms and renewal rights.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Property 2014/15 £000	**Plant and vehicles 2014/15 £000**	Property 2013/14 £000	Plant and vehicles 2013/14 £000
Less than one year	**800**	**574**	913	564
Between one and five years	**1,786**	**932**	912	936
After five years	**1,087**	**–**	1,107	25
	3,673	**1,506**	2,932	1,525

Financial Statements
Notes to the Consolidated Financial Statements
For the year ended 30 June 2015

30 Financial commitments (continued)

(ii) Operating lease commitments (continued)

The total future minimum sub-lease receipts under non-cancellable operating leases are as follows:

	Property 2014/15 £000	Property 2013/14 £000
Less than one year	**32**	32
Between one and five years	**–**	–
	32	32

31 Related party disclosure

The group's principal subsidiaries are listed below:

Principal subsidiaries	Principal activity	Country of incorporation	% of equity interest and votes held	
			2015	2014
Alumasc Exterior Building Products Limited	Building products	England	**100**	100
Alumasc Limited	Building products	England	**100**	100
Levolux Limited	Building products	England	**100**	100
Alumasc Precision Limited	Engineering products	England	**100**	100

A full list of the group's subsidiaries are listed in Appendix I at the end of the Financial Statements.

Terms and conditions of transactions with related parties

Sales to and purchases from related parties are made at arms-length market prices. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables.

Transactions with other related parties

Key management personnel are determined as the Directors of The Alumasc Group plc. Details of transactions with the Directors and their compensation are detailed in the Directors' Remuneration Report on pages 33 to 40.

32 Contingent liabilities

At the balance sheet date there existed contingent liabilities amounting to £1,600,000 (2014: £1,300,000) in relation to outstanding Guarantees and £311,000 (2014: £187,000) in relation to outstanding Performance Bonds.

33 Post balance sheet event

On 14 August, the group signed a new five year £30 million revolving credit banking facility. See note 22 for further details.

Company Balance Sheet

At 30 June 2015

	Notes	**2015 £000**	2014 £000
Fixed assets			
Tangible assets	4	**2,217**	2,440
Investments in subsidiary undertakings	5	**64,687**	74,522
		66,904	76,962
Current assets			
Debtors	6	**745**	1,488
Financial assets	7	**–**	40
		745	1,528
Creditors: amounts falling due within one year	8	**(23,123)**	(16,984)
Net current liabilities		**(22,378)**	(15,456)
Total assets less current liabilities		**44,526**	61,506
Creditors: amounts falling due in more than one year	9	**(6,800)**	(16,690)
Deferred tax liabilities	10	**(16)**	(17)
Provisions for liabilities	11	**(59)**	(59)
Pension liability	12	**(781)**	(663)
Net assets		**36,870**	44,077
Capital and reserves			
Called up share capital	13	**4,517**	4,517
Share premium	14	**445**	445
Revaluation reserve	14	**2,265**	2,265
Merger reserve	14	**10,606**	10,606
Capital reserve – own shares	14	**(618)**	(618)
Profit and loss account reserve	14	**19,655**	26,862
Shareholders' funds		**36,870**	44,077

G P Hooper
Director

A Magson
Director

3 September 2015

Company number 1767387

Financial Statements
Notes to the Company Financial Statements
For the year ended 30 June 2015

1 Accounting policies

Basis of accounting

The accounts are prepared under UK GAAP using the historical cost convention as modified by the revaluation of the investment in certain subsidiaries, and in accordance with applicable accounting standards. As permitted by Section 408 of the Companies Act 2006, the profit and loss account is not presented.

The company has taken advantage of the exemption in paragraph 20 of FRS29 Financial Instruments: Disclosures, and has not disclosed information required by that standard, as the group's consolidated financial statements, in which the company is included, provide equivalent disclosures for the group under IFRS7 Financial Instruments: Disclosures.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report on pages 1 to 19. The financial position of the group, its cashflows and liquidity position are set out in the consolidated financial statements. Details of the group's borrowing facilities are described within note 22 of the group financial statements.

Following the year end the group signed a new five year £30 million revolving credit banking facility consisting of a £12.5 million committed element and a £17.5 million uncommitted accordion element. In addition, the group has recently renewed overdraft facilities totalling £3 million for another year. At 30 June 2015 the group's net cash was £0.9 million (2014: net debt £7.7 million).

On the basis of the group's financing facilities and current financial plans and sensitivity analyses, the Board is satisfied that the group and company have adequate resources to continue in operational existence for the foreseeable future and accordingly continue to adopt the going concern basis in preparing the financial statements.

Depreciation of tangible fixed assets

Freehold land is not depreciated. The cost or valuation of other tangible fixed assets is written off by equal monthly instalments over their expected useful lives as follows:

Freehold buildings	–	25 to 50 years
Long leasehold property	–	over the period of the lease to a maximum of 50 years
Plant and equipment	–	3 to 15 years

Valuation of fixed assets

The company elected to adopt the transitional provisions of FRS15 under which previous valuations of freehold and long leasehold land and buildings are retained and treated as 'cost' for future accounting purposes. The majority of the company's properties have been acquired as a result of the acquisition of related businesses; in these cases, the fair value of the freehold and long leasehold land and buildings at acquisition is already treated as 'cost' for all purposes.

Leased assets

Leases where the lessor retains substantially all the risks and rewards of ownership of the asset are classified as operating leases and rentals payable are charged to the profit and loss account as incurred.

Pensions

The company operates a defined benefit pension scheme, which is constituted as a separately administered fund and which is closed to future accrual. Deficit reduction contributions are agreed with the pension trustees on the basis of actuarial advice to fund this scheme. The company also operates a defined contribution scheme where agreed contractual contributions are paid into a separately administered fund.

In accounting for defined benefit schemes under FRS17, the pension scheme assets are measured using fair values whilst the pension scheme liabilities are measured using a projected unit credit method and discounted using an appropriate discount rate. The company's share of the pension scheme deficit is recognised net of the related deferred tax asset on the face of the balance sheet. The movement on the deficit is split between operating and finance charges in the profit and loss account and also in the statement of total recognised gains and losses. Prior to The Alumasc Group Pension Scheme closure to future accrual in April 2010, the employer's portion of the current service cost was charged to operating profit. The interest cost on scheme liabilities and the expected return on scheme assets is charged or credited to other financing costs.

The actuarial gain or loss is charged directly to equity through the statement of total recognised gains and losses. This arises from the difference between the expected return on assets and those actually achieved, and also any changes in the assumptions and experiences used in the valuations.

For defined contribution schemes the amount charged to the profit and loss account represents the contributions payable to the plans in the accounting period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

1 Accounting policies (continued)

Deferred taxation

Provision is made for deferred taxation in accordance with FRS19.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

– provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold; and

– deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Own shares

The Alumasc Group plc shares held by the group are classified in shareholders' equity as 'own shares' and are recognised at cost. Consideration received for the sale of such shares is also recognised in equity, with any difference between the proceeds from sale and the original cost being taken to revenue reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares.

Equity settled share based payment transactions

The fair value of long term incentive awards and share options granted to employees is recognised as an employee expense at the date of grant, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of shares for which the related service and non-market vesting conditions are met. Awards granted to employees of subsidiary undertakings are treated as capital contributions within investments.

Investment in subsidiaries

Investments in subsidiaries are stated at cost, or revalued amount, less provisions for impairment where appropriate.

Dividends

Under FRS21, final ordinary dividends payable to shareholders are recognised in the period that they are approved by the shareholders. Interim ordinary dividends payable are recognised in the period that they are paid. Dividends receivable are recognised when the company's right to receive payments is established.

Financial assets

When financial assets are recognised initially under FRS26, they are measured at fair value, being the transaction price plus directly attributable transaction costs.

Financial Statements
Notes to the Company Financial Statements
For the year ended 30 June 2015

2 Operating profit

Operating profit is stated after charging:

	2014/15 £000	2013/14 £000
Auditors' remuneration – audit of the financial statements of the company	**17**	16
Depreciation of tangible fixed assets	**112**	111
Hire of plant and machinery	**1**	1

3 Dividends

	2014/15 £000	2013/14 £000
Interim dividend for 2015 of 2.5p paid on 7 April 2015	**891**	–
Final dividend for 2014 of 2.8p paid on 5 November 2014	**998**	–
Interim dividend for 2014 of 2.2p paid on 8 April 2014	**–**	784
Final dividend for 2013 of 2.5p paid on 31 October 2013	**–**	891
	1,889	1,675

A final dividend of 3.5 pence per equity share, at a cash cost of £1,248,000, has been proposed for the year ended 30 June 2015, payable on 28 October 2015. In accordance with UK GAAP this dividend has not been accrued in these company financial statements.

4 Tangible fixed assets

	Freehold land and buildings £000	Long leasehold property £000	Plant and equipment £000	Total £000
Cost:				
At 1 July 2014	3,775	235	299	4,309
Additions	–	–	7	7
Disposals	(377)	–	–	(377)
At 30 June 2015	**3,398**	**235**	**306**	**3,939**
Depreciation:				
At 1 July 2014	1,410	181	278	1,869
Charge for the year	75	20	17	112
Disposals	(259)	–	–	(259)
At 30 June 2015	**1,226**	**201**	**295**	**1,722**
Net book value:				
At 30 June 2015	**2,172**	**34**	**11**	**2,217**
At 1 July 2014	2,365	54	21	2,440

Included within freehold land and buildings is land of £1,909,000 (2014: £1,909,000) which is not depreciated.

5 Investments in subsidiary undertakings

	£000
Cost:	
At 1 July 2014 and 30 June 2015	**75,622**
Provisions:	
At 1 July 2014	1,100
Provided in year	9,835
At 30 June 2015	**10,935**
Net book value:	
At 30 June 2015	**64,687**
At 30 June 2014	74,522

During the year £9,835,000 was provided against the investment in Alumasc Precision Limited following the sale of trade and assets of Alumasc Precision Components.

At 30 June 2015 the principal subsidiary undertakings and related classes of business are as follows: Alumasc Exterior Building Products Limited, (building products), Alumasc Limited, (building products), Levolux Limited, (building products) and Alumasc Precision Limited, (engineering products).

All subsidiary companies are wholly owned and owned directly by The Alumasc Group plc.

6 Debtors

	2015 £000	2014 £000
Other debtors	**41**	70
Prepayments and accrued income	**704**	699
Amounts due from subsidiary undertakings	**–**	719
	745	1,488

7 Financial assets

	2015 £000	2014 £000
Interest rate cap instrument	**–**	40

At 30 June 2014 the group had two interest rate caps, one with a notional principal amount of £7.5 million and a maturity date of 23 June 2016, another with a notional principal amount of £5.0 million and a maturity date of 18 May 2015. The unamortised premium of the unexpired interest rate cap at 30 June 2015 was written off following the sale of Alumasc Precision Components as the group no longer had net indebtedness at that point.

Financial Statements
Notes to the Company Financial Statements
For the year ended 30 June 2015

8 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Bank overdraft	**14,526**	15,299
Bank loan	**5,000**	–
Other creditors	**1,059**	1,229
Accruals	**898**	456
Amounts due to subsidiary undertakings	**1,640**	–
	23,123	16,984

9 Creditors: amounts falling due after more than one year

	2015 £000	2014 £000
Bank loan	**–**	9,890
Amounts due to subsidiary undertakings	**6,800**	6,800
	6,800	16,690

10 Deferred tax liabilities

	£000
At 1 July 2014	17
Deferred tax credit – current year	(1)
At 30 June 2015	**16**

The deferred tax liability included in the balance sheet comprises:

	2015 £000	2014 £000
Accelerated capital allowances	**17**	18
Short term timing differences	**(1)**	(1)
	16	17

11 Provision for liabilities

	£000
At 30 June 2014 and 30 June 2015	**59**

The company has provided £59,000 (2014: £59,000) in relation to the anticipated cost of dilapidations required under the terms of the lease of the company's business premises.

12 Employee benefit expense

Defined benefit schemes

The company participates in a defined benefit scheme, The Alumasc Group Pension Scheme, which has been closed to future accrual since 2010.

The defined benefit scheme maintained by the company is a multi-employer scheme. For the purpose of allocating the total assets and liabilities of the scheme between the various group companies, the Directors have used as a basis the existing participating employer or the participating employer at the point of the employee leaving employment.

Following the conclusion of the 2013 triennial actuarial review in the 2013/14 financial year, deficit reduction contributions will increase from £90,000 to £110,000 per year, with effect from 1 July 2014.

The principal assumptions used by the actuary in valuing the assets and liabilities of the Scheme for FRS17 purposes were:

	The Alumasc Group 2015 %	The Alumasc Group 2014 %
Discount rate	**3.7**	4.3
Expected rate of deferred pension increases	**2.3**	2.5
Future pension increases	**1.7 – 3.7**	1.8 – 3.8
Retail Price Index inflation rate	**3.3**	3.3
Consumer Price Index inflation rate	**2.3**	2.5
	Years	Years
Post retirement mortality:		
Current pensioners at 65 – male	**22.4**	22.3
Current pensioners at 65 – female	**24.1**	23.7
Future pensioners at 65 in 2035 – male	**24.1**	24.1
Future pensioners at 65 in 2035 – female	**25.6**	24.8

The following information relates to the company's element of the assets and liabilities of the scheme.

The assets in the scheme and the expected rate of return were:

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Equities	**1,731**	1,707	1,433	1,298	1,596
Gilts	**376**	343	474	487	462
Bonds	**376**	429	404	418	379
Absolute return fund	**903**	899	1,118	975	1,033
Property and cash	**377**	231	56	116	141
Total market value of assets	**3,763**	3,609	3,485	3,294	3,611
Actuarial value of liability	**(4,739)**	(4,438)	(3,957)	(3,998)	(3,762)
Pension liability before taxation	**(976)**	(829)	(472)	(704)	(151)
Related deferred tax asset	**195**	166	109	169	39
Net pension liability	**(781)**	(663)	(363)	(535)	(112)

Components of defined benefit cost for the year to 30 June were:

	2014/15 £000	2013/14 £000
Amounts charged to other finance costs:		
Expected return on pension scheme assets	**151**	164
Interest on pension liabilities	**(184)**	(204)
Net interest cost	**(33)**	(40)

Financial Statements

Notes to the Company Financial Statements

For the year ended 30 June 2015

12 Employee benefit expense (continued)

Defined benefit schemes (continued)

Analysis of amounts recognised in statement of total recognised gains and losses:

	2014/15 £000	2013/14 £000
Actual return less expected return on assets	**103**	98
Experience gains	**(146)**	(167)
Changes in assumptions	**(203)**	(353)
Actuarial loss to be recognised in statement of total recognised gains and losses	**(246)**	(422)

Changes in the present value of the defined benefit obligation before taxation are as follows:

	2015 £000	2014 £000
At 1 July	**(4,438)**	(3,957)
Interest cost	**(184)**	(204)
Benefits paid	**232**	243
Actuarial loss	**(349)**	(520)
At 30 June	**(4,739)**	(4,438)

Changes in the fair value of plan assets before taxation are as follows:

	2015 £000	2014 £000
At 1 July	**3,609**	3,485
Expected return on plan assets	**151**	164
Actuarial gain	**103**	98
Contributions by employer	**132**	105
Defined benefit actual benefit payments	**(232)**	(243)
At 30 June	**3,763**	3,609

History of experience gains and losses:

	2014/15	2013/14	2012/13	2011/12	2010/11
Difference between expected and actual return on scheme assets:					
– Amount (£000)	**103**	98	125	(352)	185
– Percentage of company's allocation of scheme assets (%)	**3**	3	4	(11)	5
Experience gains and losses on scheme liabilities:					
– Amount (£000)	**(146)**	(167)	–	2	33
– Percentage of company's allocation of scheme liabilities (%)	**(3)**	(4)	–	0.1	0.9
Total amount recognised in statement of total recognised gains and losses					
– Amount (£000)	**(246)**	(422)	166	(650)	182
– Percentage of company's allocation of scheme liabilities (%)	**(5)**	(10)	4	(16)	5

Defined contribution schemes

During the year £89,000 was charged to the profit and loss account in respect of such schemes (2013/14: £86,000). At 30 June 2015 contributions of £15,000 were outstanding in relation to the month of June 2015 (2013/14: £3,000 in relation to the month of June 2014).

13 Called up share capital

	2015 £000	2014 £000
Allotted, called up and fully paid:		
36,133,558 (2014: 36,133,558) ordinary shares of 12.5p each	**4,517**	4,517

14 Reserves

	Share capital £000	Share premium account £000	Revaluation reserve £000	Merger reserve £000	Capital reserve – own shares £000	Profit and loss account reserve £000	Total £000
At 1 July 2014	4,517	445	2,265	10,606	(618)	26,862	44,077
Retained loss for the year	–	–	–	–	–	(5,421)	(5,421)
Dividends	–	–	–	–	–	(1,889)	(1,889)
Actuarial loss on defined benefit pensions net of tax	–	–	–	–	–	(197)	(197)
Share based payments	–	–	–	–	–	300	300
At 30 June 2015	**4,517**	**445**	**2,265**	**10,606**	**(618)**	**19,655**	**36,870**

The company has not presented its own profit and loss account in accordance with the exemption allowed by Section 408 of the Companies Act 2006. The loss for the year after tax was £5,421,000 (2014 profit: £3,781,000).

Capital reserve – own shares

The capital reserve – own shares relates to 485,171 (2014: 485,171) ordinary own shares held by the company. The market value of shares at 30 June 2015 was £802,958 (2014: £565,224). These are held to help satisfy the exercise of awards under the company's Long Term Incentive Plans. A Trust holds the shares in its name and shares are awarded to employees on request by the company. The company bears the expenses of the Trust.

Distributable reserves

In connection with the capital reorganisation in 2007, the company reached agreement with the Pension Trustees that £14 million of the profit and loss account reserve shown above would be retained as a non-distributable reserve until the group's pension deficits reduced below £14 million (as determined by full actuarial valuations). Therefore the directors consider that £14 million of the company profit and loss account reserve remains non-distributable.

In addition, cumulative actuarial losses relating to defined benefit pension Schemes of £1,100,000 within the profit and loss account reserve are non-distributable (2014: losses of £854,000).

15 Share based payments

The company operates two types of share based payment schemes, the main features of each scheme as detailed in the Remuneration Report on pages 33 to 40.

	As at 1 July 2014	Weighted average exercise price (pence)	Granted	Weighted average exercise price (pence)	Exercised	Weighted average exercise price (pence)	Lapsed	Weighted average exercise price (pence)	**As at 30 June 2015**	Weighted average exercise price (pence)
LTIP (i)	636,257	n/a	205,019	n/a	–	n/a	(192,164)	n/a	**649,112**	n/a
ESOS (ii)	89,878	1.43	20,000	1.30	–	–	(20,000)	1.35	**89,878**	1.42

	As at 1 July 2013	Weighted average exercise price (pence)	Granted	Weighted average exercise price (pence)	Exercised	Weighted average exercise price (pence)	Lapsed	Weighted average exercise price (pence)	As at 30 June 2014	Weighted average exercise price (pence)
LTIP (i)	656,063	n/a	196,498	n/a	–	n/a	(216,304)	n/a	636,257	n/a
ESOS (ii)	79,878	1.44	20,000	1.29	–	–	(10,000)	1.15	89,878	1.43

(i) Long term incentive plan.
(ii) Executive share option scheme.

Financial Statements
Notes to the Company Financial Statements
For the year ended 30 June 2015

15 Share based payments (continued)

ESOS

For the share options outstanding at 30 June 2015 the weighted average remaining contractual life is 1.2 years (30 June 2014: 1.5 years). The exercise price of the options outstanding ranges between 80 pence and 171 pence. No share options are exercisable at 30 June 2015 (30 June 2014: nil).

LTIP

Whilst an estimated amount has been accrued for the vesting of the March 2013 LTIP award, as shown on page 38, that award does not vest until March 2016 and therefore no vesting is shown in the table on page 85.

Fair value of awards

The fair values of awards granted in the year, together with the other inputs into the option pricing model are shown below. The Black-Scholes and the Cox Ross Rubenstein Binomial option pricing models have been used to calculate the fair value of the options and the amount to be expensed in the income statement.

	ESOS		**LTIP**	
	Black Scholes 2015	Black Scholes 2014	**Black Scholes & Binomial 2015**	Black Scholes & Binomial 2014
Share price at grant date	**156p**	127p	**156p**	127p
Exercise price	**130p**	129p	**nil**	nil
Expected volatility	**25%**	35%	**25%**	35%
Expected life (years)	**3**	3	**3**	3
Risk free rate	**1.0%**	1.0%	**1.0%**	1.0%
Dividend yield at date of grant	**4.2%**	3.3%	**4.2%**	3.3%
Fair value per option	**29p**	25p	**137p**	115p

The expected volatility is based on historical volatility over the last three years. The risk free rate of return is based on the yield on government bonds due to mature on the expected maturity date of the award.

The net charge recognised for share based payments in respect of employee services rendered during the year to 30 June 2015 is £300,000 (2013/14: £34,000).

16 Financial commitments

The company had no financial commitments at the year end (2014: £nil).

17 Related party disclosures

The company has taken advantage of the exemption granted by paragraph 3c of FRS8 not to disclose transactions with other group companies. There were no other related party transactions during the period (2014: nil).

18 Contingent liabilities

The company is party to, together with subsidiary undertakings, cross guarantee banking arrangements in favour of the group's relationship banks. At the year end, subsidiary undertakings had utilised £3,991,000 (2014: £4,167,000) of the overdraft facilities guaranteed by the company.

Five Year Summary

	2014/15 £000	2013/14 £000	2012/13 £000	2011/12 £000	2010/11 £000
Income Statement Summary					
Continuing Operations:					
Revenue					
Building products	90,328	80,361	85,368	71,158	66,964
Dyson Diecastings (net of intercompany sales)	7,754	8,496	8,346	9,080	8,760
Total revenue	**98,082**	**88,857**	**93,714**	**80,238**	**75,724**
Underlying operating profit					
Building products	9,799	7,977	8,402	4,270	3,750
Dyson Diecastings	708	1,120	1,079	1,116	1,398
Unallocated costs	(1,485)	(1,332)	(1,269)	(1,036)	(1,213)
Underlying operating profit	**9,022**	**7,765**	**8,212**	**4,350**	**3,935**
Net interest cost on borrowings	(592)	(521)	(767)	(706)	(662)
Underlying profit before tax	**8,430**	**7,244**	**7,445**	**3,644**	**3,273**
Brand amortisation	(268)	(268)	(273)	(299)	(320)
IAS 19 pension scheme costs	(1,166)	(900)	(1,396)	(317)	(745)
Non-recurring costs	–	–	(1,391)	(273)	267
Profit before taxation	**6,996**	**6,076**	**4,385**	**2,755**	**2,475**
Taxation	(1,639)	(1,287)	(1,302)	(701)	(680)
Profit for the year	**5,357**	**4,789**	**3,083**	**2,054**	**1,795**
Discontinued Operations - (Loss)/profit after tax	(981)	(748)	(1,197)	(1,641)	1,850
Profit for the year	**4,376**	**4,041**	**1,886**	**413**	**3,645**
Continuing Operations:					
Order Book:					
Building products **(note a)**	24,014	18,808	18,934	19,621	13,411
Dyson Diecastings	2,474	1,180	1,252	1,077	1,540
Group	26,488	19,988	20,186	20,698	14,951
Return on sales:					
Building products	10.8%	9.9%	9.8%	6.0%	5.6%
Total group	9.2%	8.7%	8.8%	5.4%	5.2%
Underlying tax rate	22.0%	24.2%	25.7%	30.6%	29.9%
Underlying earnings per share	18.4	15.4	15.5	7.1	6.4
Basic earnings per share from continuing operations	15.0	13.4	8.6	5.8	5.0
Dividends per share (pence)	6.0	5.0	4.5	2.0	10.0

Financial Statements
Five Year Summary

		2014/15 £000	2013/14 £000	2012/13 £000	2011/12 £000	2010/11 £000
Balance Sheet Summary						
Shareholders' funds		15,929	17,042	22,443	18,928	31,965
Net (cash)/debt		(914)	7,666	7,687	13,229	10,731
Pension deficit (net of associated deferred tax asset)		16,748	14,338	7,748	11,050	2,111
Capital Invested		31,763	39,046	37,878	43,207	44,807
Ratios:						
Underlying return on capital invested (post-tax)	**(note b)**	19.9%	13.4%	12.2%	4.1%	8.8%
Gearing	**(note c)**	–	45.0%	34.3%	70.0%	33.6%
EBITDA interest cover	**(note d)**	17.3	17.2	12.0	7.6	12.3
Net debt/EBITDA	**(note e)**	0.1	1.0	1.0	2.5	1.3

Notes

a) Excluding the large £12+ million Kitimat export contract in 2012-14 in order to illustrate underlying trends.

b) Underlying operating profit after tax (from continuing operations in 2014/15) calculated using the underlying tax rate, as a percentage of average capital invested.

c) Net borrowing as a percentage of shareholders' funds.

d) EBITDA divided by net interest cost on borrowings.

e) Net debt plus contingent liabilities divided by underlying EBITDA.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of The Alumasc Group plc (the "Company") will be held at Founder's Hall, No.1 Cloth Fair, London EC1A 7HT at 10.30 am on Thursday 22 October 2015 for the following purposes:

Ordinary business

1 To receive the reports of the Directors and auditors and the accounts for the year ended 30 June 2015

2 To receive the report of the Remuneration Committee for the year ended 30 June 2015

3 To declare a final dividend of 3.5p per share

4 To re-elect Andrew Magson as a Director

5 To re-elect Jon Pither as a Director[1,2,3]

6 To re-elect Phillip Gwyn as a Director[1,2,3]

7 To re-elect Richard Saville as a Director[1,2,3]

8 To confirm the appointment of KPMG LLP as auditors and to authorise the Directors to fix their remuneration

[1] Member of Nomination Committee.
[2] Member of Remuneration Committee.
[3] Member of Audit Committee.

Special business

To consider, and if thought fit, to pass the following Resolutions. Resolution 9 shall be proposed as an Ordinary Resolution and Resolutions 10 and 11, shall be proposed as Special Resolutions.

9 Renewal of Directors' authorities to allot shares

That the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £1,505,564 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company, save that the Directors shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or rights to be granted pursuant to any such offers or agreements after this authority had expired; and all unexercised authorities previously granted to the Directors are hereby revoked.

10 Disapplication of statutory pre-emption rights

That the Directors be and hereby they are empowered pursuant to Section 571 of the Companies Act 2006 to allot equity securities as defined in Section 560(1) of that Act for cash pursuant to the authority conferred by Resolution 9 above as if Section 561(1) of that Act did not apply to any such allotment provided that this power shall be limited to:

(i) the allotment of equity securities in connection with a rights issue or other offer of securities in favour of the holders of ordinary shares on the register of members at such dates as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on such record dates subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depository receipts or any other matter whatever; and

(ii) the allotment (otherwise than pursuant to sub paragraph (i) above) to any person or persons of equity securities up to an aggregate nominal amount of £225,835; and shall expire on the date of expiry of the authority conferred by Resolution 9 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

In respect of an allotment of equity securities by virtue of Section 560(2b) of the Act, the words "pursuant to the authority conferred in Resolution 9 above" shall be deemed to be omitted from the power conferred by this Resolution.

Notice of Annual General Meeting

11 Company's authority to purchase its own shares

That the Company be generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of ordinary shares of 12.5p each in the Company provided that;

(i) the maximum number of ordinary shares hereby authorised to be acquired is 5,383,900 which represents 14.9% of the issued share capital of the Company on 2 September 2015;

(ii) the minimum price (exclusive of taxes and expenses) which may be paid for such ordinary shares is 12.5p per share;

(iii) the maximum price (exclusive of taxes and expenses) which may be paid for such ordinary shares is an amount equal to 105% of the average of the middle market quotations for ordinary shares (derived from the Daily Official List of the London Stock Exchange Plc) for the five dealing days immediately preceding the day on which such ordinary shares are contracted to be purchased;

(iv) the authority hereby conferred shall expire on 21 October 2016, or, if earlier, on the date of the next Annual General Meeting of the Company except that the expiry of such authority shall not exclude any purchase of ordinary shares made pursuant to a contract concluded before the authority expired and which would or might be executed wholly or partly after its expiration;

(v) this authority supersedes the Company's authority to make market purchases granted by Special Resolution passed on 30 October 2014.

By order of the Board

A Magson
Company Secretary

3 September 2015

Registered Office
Burton Latimer
Kettering
Northamptonshire
NN15 5JP
Registered No
1767387

Notes to the Notice of Annual General Meeting

1. Holders of ordinary shares, or their duly appointed representatives, are entitled to attend and vote at the Annual General Meeting. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and speak and vote on their behalf at the meeting. A shareholder can appoint the Chairman of the meeting or anyone else to be his/her proxy at the meeting. A proxy need not be a shareholder. More than one proxy can be appointed in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or shares held by that shareholder. To appoint more than one proxy, the Proxy Form should be photocopied and completed for each proxy holder. The proxy holder's name should be written on the Proxy Form together with the number of shares in relation to which the proxy is authorised to act. The box on the Proxy Form must also be ticked to indicate that the proxy instruction is one of multiple instructions being given. All Proxy Forms must be signed and, to be effective, must be lodged with the Company's registrar Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to arrive not later than 48 hours before the time of the meeting, or in the case of an adjournment 48 hours before the adjourned time.
2. The return of a completed Proxy Form or other such instrument will not prevent a shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
3. Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
4. Only shareholders whose names appear on the register of members of the Company as at 48 hours before the time of the meeting shall be entitled to attend the Annual General Meeting either in person or by proxy and the number of ordinary shares then registered in their respective names shall determine the number of votes such persons are entitled to cast on a poll at the Annual General Meeting.
5. The statement of the rights of shareholders in relation to the appointment of proxies in note 1 does not apply to Nominated Persons. The rights described in that note can only be exercised by shareholders of the Company.
6. As at 2 September 2015, being the latest practicable date prior to the publication of this document, the Company's issued share capital consists of 36,133,558 ordinary shares with voting rights.
7. Copies of the Directors' service contracts with the Company will be available to members for inspection at the registered office during business hours on any week day (public holidays excepted) and will be available at the place of the Annual General Meeting for fifteen minutes prior to and during the Annual General Meeting.

Explanatory notes to Resolutions 4, 5, 6, 7, 9, 10, and 11 to be proposed at the Annual General Meeting

(1) Resolution 4 – Re-election of Andrew Magson

Your Board recommends that Andrew Magson be re-elected as a Director.

(2) Resolution 5, 6 and 7 – Re-election of Jon Pither, Philip Gwyn and Richard Saville

Your Board recommends that Jon Pither, Philip Gwyn and Richard Saville be re-elected as Directors of the Company. As they have served on the Board for longer than nine years, and in order to comply with the best practice provisions of The Code, they offer themselves for re-election.

The board has concluded that the retiring four Directors are effective, committed to their role, and subject to shareholder approval, should continue in office. The biographical details of each Director is set out on pages 20 and 21 of the Annual Report 2015.

(3) Resolution 9 – Renewal of Directors' authority to allot shares

By virtue of Section 551 of the Companies Act 2006 the Directors require the authority of shareholders of the Company to allot shares or other relevant securities of the Company, Resolution 9 authorises the Directors to make allotments of up to an additional 12,044,519 shares (being approximately one third of the issued share capital of the Company as at 2 September 2015). This authority will lapse at the conclusion of the next Annual General Meeting, unless renewed earlier. The Directors have no present intention to exercise the authority proposed to be conferred by Resolution 9.

(4) Resolution 10 – Disapplication of statutory pre-emption rights

By virtue of Section 561 of the Companies Act 2006 any issue by the Company of equity capital for cash made otherwise than to existing shareholders on a proportional basis requires the consent of the shareholders of the Company unless the Company has obtained the authority of the shareholders under Section 571 of the Act. The purpose of Resolution 10 is to authorise the Directors to allot shares by way of rights or pursuant to an open offer or otherwise than strictly pro rata when they consider it expedient to do so and allows them to issue for cash up to 1,806,677 shares other than on a pre-emptive basis (representing 5% of the issued share capital of the Company as at 2 September 2015).

(5) Resolution 11 – Company's authority to purchase its own shares

The Directors consider it desirable that the Company should have the authority to make market purchases of its own shares. The purpose of Resolution 11 is to authorise the Directors generally to purchase up to 5,383,900 ordinary shares in the market (being 14.9% of the issued share capital of the Company as at 2 September 2015). The Directors will only exercise the authority granted by Resolution 11 (if passed) if to do so would result in an increase in earnings per share and is in the best interests of shareholders generally.

Appendix I

Listing of group's subsidiaries

The group's subsidiary undertakings at 30 June 2015 are shown below. Unless otherwise disclosed, all subsidiary undertakings are incorporated in the UK. All subsidiaries are 100% owned and with a share class of ordinary shares.

Subsidiary	Principal activity	Country of incorporation
Alumasc Exterior Building Products Limited	Building products	
Alumasc Limited	Building products	
Levolux Limited	Building products	
Alumasc Precision Limited	Engineering products	
A G Standard Company Limited	Dormant	
Access Floor Systems Limited	Dormant	
AIBP2 Limited	Dormant	
ALK Limited	Dormant	
Alumasc Building Products Limited	Dormant	
Alumasc Construction Products Limited	Dormant	
Alumasc Dispense Limited	Dormant	
Alumasc Grundy Limited	Dormant	
Alumasc Holdings Limited	Dormant	
Alumasc Interior Building Products Limited	Dormant	
Alumasc Precision Hong Kong Limited	Dormant	Hong Kong
Alumasc Trading Foshan Limited	Dormant	China
Apex Gutter & Drainage Limited	Dormant	
Benion Limited	Dormant	
Benjamin Priest Group Limited	Dormant	
Benjamin Priest Limited	Dormant	
Blackdown Horticultural Consultants Ltd	Dormant	
BLK Limited	Dormant	
BLL Limited	Dormant	
C C Realisations Limited	Dormant	
Chardene Die & Tool Company Limited	Dormant	
Cleomack (One) Limited	Dormant	
Cleomack (Three) Limited	Dormant	
Cleomack Limited	Dormant	
Condyle Limited	Dormant	
Copal Casting Limited	Dormant	
D E Limited	Dormant	
Doranda Limited	Dormant	
Drew Street Limited	Dormant	
Dyson Developments Limited	Dormant	
Dyson Diecastings Limited	Dormant	
Elkington China Limited	Dormant	Hong Kong
Elkington Gatic Limited	Dormant	
Engird Limited	Dormant	
Euroroof Limited	Dormant	
Express Shotblasting Limited	Dormant	
Gatic Inc	Dormant	USA
Green Roof Solutions Limited	Dormant	
Harmer Holdings Limited	Dormant	
Harvey Reed Top Table Limited	Dormant	
Justcredit Limited	Dormant	
Kett Limited	Dormant	
Levolux AT Limited	Dormant	
Llevac Limited	Dormant	
M R Limited	Dormant	
Navallis Limited	Dormant	
Powke Limited	Dormant	
Rainclear Systems Limited	Dormant	
Roof-Pro Limited	Dormant	
Scaffold & Construction Products Limited	Dormant	
Sillavan Anodes Limited	Dormant	
Sillavan Industries Limited	Dormant	
Sorrel 009 Limited	Dormant	
Sure-Foot Supports Limited	Dormant	
Technical Building Products Limited	Dormant	
The Green Building Products Company Limited	Dormant	
The Paint Factory Limited	Dormant	
Thermex AFC Limited	Dormant	
Thermex Industries Limited	Dormant	
Thoday Limited	Dormant	
Timloc Building Products Limited	Dormant	
Warne, Wright & Rowland Limited	Dormant	
Wergs Limited	Dormant	
Yenots Limited	Dormant	

The Alumasc Group – Major Product Groups and Operating Locations

Building Products

Energy Management

Solar shading & screening
Levolux Limited
Forward Drive
Harrow
Middlesex HA3 8NT
Tel: +44 (0) 20 8863 9111
Fax: +44 (0) 20 8863 8760
Email: info@levolux.com
Web: www.levolux.com

Levolux Limited
24 Eastville Close
Eastern Avenue
Gloucester GL4 3SJ
Tel: +44 (0) 1452 500007
Fax: +44 (0) 1452 527496
Email: info@levolux.com
Web: www.levolux.com

Waterproofing systems
Alumasc Exterior Building Products
White House Works
Bold Road
Sutton
St Helens
Merseyside WA9 4JG
Tel: +44 (0) 1744 648400
Fax: +44 (0) 1744 648401
Email: info@alumasc-exteriors.co.uk
Web: www.alumascroofing.co.uk

Green roofing
Blackdown Horticultural Consultants
Street Ash Nursery
Combe St. Nicholas
Chard
Somerset TA20 3HZ
Tel: +44 (0) 1460 234582
Fax: +44 (0) 845 0760267
Email: enquiries@blackdown.co.uk
Web: www.blackdown.co.uk

Roofing services support systems
Roof-Pro Systems
Polwell Lane
Burton Latimer
Northamptonshire NN15 5PS
Tel: +44 (0) 1536 383865
Fax: +44 (0) 1536 726859
Email: info@roof-pro.co.uk
Web: www.roof-pro.co.uk

Insulated render systems
Alumasc Exterior Building Products
White House Works
Bold Road
Sutton
St Helens
Merseyside WA9 4JG
Tel: +44 (0) 1744 648400
Fax: +44 (0) 1744 648401
Email: info@alumasc-exteriors.co.uk
Web: www.alumascfacades.co.uk

Water Management

Engineered access covers
Elkington Gatic
Hammond House
Holmestone Road
Poulton Close
Dover
Kent CT17 0UF
Tel: +44 (0) 1304 203545
Fax: +44 (0) 1304 215001
Email: info@gatic.com
Web: www.gatic.com

Gatic Slotdrain
Elkington Gatic
Hammond House
Holmestone Road
Poulton Close
Dover
Kent CT17 0UF
Tel: +44 (0) 1304 203545
Fax: +44 (0) 1304 215001
Email: info@gatic.com
Web: www.slotdrain.com

Metal rainwater systems
Alumasc Exterior Building Products
White House Works
Bold Road
Sutton
St Helens
Merseyside WA9 4JG
Tel: +44 (0) 1744 648400
Fax: +44 (0) 1744 648401
Email: info@alumascwms.co.uk
Web: www.alumascrainwater.co.uk

Rainclear systems
Unit 34A
Techno Trading Estate
Ganton Way
Swindon SN2 8ES
Tel: +44 (0) 844 4142266
Fax: +44 (0) 844 4142277
Email: sales@rainclear.co.uk
Web: www.rainclear.co.uk

Roof, shower and floor drainage systems
Alumasc Exterior Building Products
White House Works
Bold Road
Sutton
St Helens
Merseyside WA9 4JG
Tel: +44 (0) 1744 648400
Fax: +44 (0) 1744 648401
Email: info@alumascwms.co.uk
Web: www.harmerdrainage.co.uk

Ventilation products,
access panels/doors cavity closers
Timloc Building Products
Rawcliffe Road
Goole
East Yorkshire DN14 6UQ
Tel: +44 (0) 1405 765567
Fax: +44 (0) 1405 720479
Email: sales@timloc.co.uk
Web: www.timloc.co.uk

Building and access products
Scaffold & Construction Products
Unit 1
Station Court
Girton Road
Cannock
Staffordshire WS11 0EJ
Tel: +44 (0) 1543 467800
Fax: +44 (0) 1543 467993
Email: acp@scpburton.co.uk
Web: www.scp-props.co.uk

Engineering Products

Dyson Diecasting
Second Avenue
Bletchley
Milton Keynes MK1 1EA
Tel: +44 (0) 1908 279200
Fax: +44 (0) 1908 279219
Email: info@alumascprecision.co.uk
Web: www.dysondiecastings.co.uk

ckd
Design & Production
www.carrkamasa.co.uk

FSC www.fsc.org MIX Paper from responsible sources FSC® C016486

Printed on Chorus. This paper comes from sustainable forests and is fully recyclable and biodegradable. The paper mill and the printer are accredited with ISO 14001 environmental management standard. The Printer is also carbon neutral.

The Alumasc Group plc
Burton Latimer, Kettering
Northamptonshire NN15 5JP
Tel: +44(0) 1536 383844
Fax: +44(0) 1536 725069
info@alumasc.co.uk
www.alumasc.co.uk