

Billington Holdings Plc

Interim Report and Accounts 2020

Billington Holdings Plc

Directors

I. M. Lawson - Non Executive Chairman
S. J. Wardell - Non Executive Director
J. S. Gordon - Non Executive Director
Dr. A. W. Ospelt - Non Executive Director
M. Smith - Chief Executive
T. M. Taylor - Chief Financial Officer

Company Secretary

D. P. Kemplay

Registered Office

Billington Holdings Plc,
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Wombwell,
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Registrar and Main Transfer Office

Link Asset Services,
Northern House,
Woodsome Park, Fenay Bridge,
Huddersfield, HD8 0GA

Nominated Advisor and Broker

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

Auditors

Grant Thornton UK LLP,
Statutory Auditor,
Chartered Accountants,
1 Holly Street,
Sheffield, S1 2GT

Bankers

HSBC Bank plc,
33 Park Row
Leeds, LS1 1LD

Solicitors

Walker Morris LLP,
33 Wellington Street,
Leeds, LS1 4DL

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

Registered in England and Wales, Company No. 02402219.

Condensed consolidated interim income statement

Six months ended 30 June 2020

	Unaudited Six months to 30 June 2020 £'000	Unaudited Six months to 30 June 2019 £'000	Audited Twelve months to 31 December 2019 £'000
Continuing operations			
Revenue, excluding movements in work in progress	33,888	48,352	108,357
Decrease in work in progress	<u>(1,110)</u>	<u>(1,204)</u>	<u>(3,446)</u>
Revenue	<u>32,778</u>	<u>47,148</u>	<u>104,911</u>
Raw material and consumables	20,524	31,855	73,995
Other external charges	1,719	1,906	3,621
Staff costs	7,605	8,304	16,700
Depreciation	979	862	1,814
Other operating charges	<u>1,341</u>	<u>1,536</u>	<u>2,845</u>
	<u>32,168</u>	<u>44,463</u>	<u>98,975</u>
Group operating profit	610	2,685	5,936
Share of post tax profit in joint ventures	<u>-</u>	<u>-</u>	<u>-</u>
Total operating profit	610	2,685	5,936
Net finance income/(expense)	<u>4</u>	<u>(6)</u>	<u>(5)</u>
Profit before tax	614	2,679	5,931
Tax	<u>(117)</u>	<u>(531)</u>	<u>(1,135)</u>
Profit for the period from continuing operations and attributable to equity holders of the parent company	<u>497</u>	<u>2,148</u>	<u>4,796</u>
Earnings per share (basic and diluted) from continuing operations	<u>4.1 p</u>	<u>17.8 p</u>	<u>39.8 p</u>

Earnings per ordinary share has been calculated on the basis of the result for the period after tax, divided by the weighted average number of ordinary shares in issue in the period, excluding those held in the ESOP Trust, of 12,064,500. The comparatives are calculated by reference to the weighted average number of ordinary shares in issue which were 12,040,608 for the period to 30 June 2019 and 12,052,554 for the year ended 31 December 2020.

Condensed consolidated interim statement of comprehensive income

Six months ended 30 June 2020

	Unaudited Six months to 30 June 2020 £'000	Unaudited Six months to 30 June 2019 £'000	Audited Twelve months to 31 December 2019 £'000
Profit for the period	497	2,148	4,796
Other comprehensive income			
Remeasurement of net defined benefit surplus	-	-	581
Movement on deferred tax relating to pension liability	-	-	(98)
Cash flow hedging - current year profit	-	514	831
Other comprehensive income, net of tax	-	514	1,314
Total comprehensive income for the period attributable to equity holders of the parent company	497	2,662	6,110

Condensed consolidated interim balance sheet

As at 30 June 2020

	Unaudited 30 June 2020 £'000	Unaudited 30 June 2019 £'000	Audited 31 December 2019 £'000
Assets			
Non current assets			
Property, plant and equipment	13,823	14,109	14,251
Pension asset	2,205	1,630	2,205
Investment in joint ventures	-	-	-
Deferred tax asset	-	41	-
Total non current assets	<u>16,028</u>	<u>15,780</u>	<u>16,456</u>
Current assets			
Inventories and work in progress	7,246	10,755	8,342
Trade and other receivables	8,670	13,821	7,350
Cash and cash equivalents	17,475	10,008	17,856
Total current assets	<u>33,391</u>	<u>34,584</u>	<u>33,548</u>
Total assets	<u>49,419</u>	<u>50,364</u>	<u>50,004</u>
Liabilities			
Current liabilities			
Current portion of long term borrowings	1,375	250	1,500
Trade and other payables	19,050	23,292	19,433
Lease liabilities	38	-	105
Current tax payable	139	785	686
Total current liabilities	<u>20,602</u>	<u>24,327</u>	<u>21,724</u>
Non current liabilities			
Long term borrowings	-	1,375	-
Lease liabilities	-	-	11
Deferred tax liabilities	176	-	176
Total non current liabilities	<u>176</u>	<u>1,375</u>	<u>187</u>
Total liabilities	<u>20,778</u>	<u>25,702</u>	<u>21,911</u>
Net assets	<u>28,641</u>	<u>24,662</u>	<u>28,093</u>
Equity			
Share capital	1,293	1,293	1,293
Share premium	1,864	1,864	1,864
Capital redemption reserve	132	132	132
Other reserve	(820)	(1,161)	(820)
Accumulated profits	26,172	22,534	25,624
Total equity	<u>28,641</u>	<u>24,662</u>	<u>28,093</u>

Condensed consolidated interim statement of changes in equity

(Unaudited)

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other components of equity £'000	Accumulated profits £'000	Total equity £'000
At 1 January 2019	1,293	1,864	132	(1,675)	21,837	23,451
Equity dividends	-	-	-	-	(1,565)	(1,565)
Credit related to equity-settled share based payments	-	-	-	-	114	114
Transactions with owners	-	-	-	-	(1,451)	(1,451)
Profit for the six months to 30 June 2019	-	-	-	-	2,148	2,148
Other comprehensive income						
Financial instruments	-	-	-	514	-	514
Total comprehensive income for the period	-	-	-	514	2,148	2,662
At 30 June 2019	1,293	1,864	132	(1,161)	22,534	24,662
At 1 July 2019	1,293	1,864	132	(1,161)	22,534	24,662
Credit related to equity-settled share based payments	-	-	-	-	(17)	(17)
ESOP movement in period	-	-	-	24	(24)	-
Transactions with owners	-	-	-	24	(41)	(17)
Profit for the six months to 31 December 2019	-	-	-	-	2,648	2,648
Other comprehensive income						
Actuarial gain recognised in the pension scheme	-	-	-	-	581	581
Income tax relating to components of other comprehensive income	-	-	-	-	(98)	(98)
Financial instruments	-	-	-	317	-	317
Total comprehensive income for the period	-	-	-	317	3,131	3,448
At 31 December 2019	1,293	1,864	132	(820)	25,624	28,093
At 1 January 2020	1,293	1,864	132	(820)	25,624	28,093
Credit related to equity-settled share based payments	-	-	-	-	51	51
Transactions with owners	-	-	-	-	51	51
Profit for the six months to 30 June 2020	-	-	-	-	497	497
Total comprehensive income for the period	-	-	-	-	497	497
At 30 June 2020	1,293	1,864	132	(820)	26,172	28,641

Condensed consolidated interim cash flow statement

Six months ended 30 June 2020

	Unaudited Six months to 30 June 2020 £'000	Unaudited Six months to 30 June 2019 £'000	Audited Twelve months to 31 December 2019 £'000
Cash flows from operating activities			
Group profit after tax	497	2,148	4,796
Taxation paid	(664)	(376)	(959)
Interest received	30	15	43
Depreciation on property, plant and equipment	979	862	1,814
Share based payment charge	51	114	97
Profit on sale of property, plant and equipment	(60)	(112)	(331)
Taxation charge recognised in income statement	117	531	1,135
Net finance (income)/expense	(4)	6	5
Decrease in inventories and work in progress	1,096	1,256	3,669
(Increase)/decrease in trade and other receivables	(1,320)	(6,294)	177
(Decrease)/increase in trade and other payables	(383)	4,803	1,532
Net cash flow from operating activities	339	2,953	11,978
Cash flows from investing activities			
Purchase of property, plant and equipment	(558)	(657)	(1,751)
Proceeds from sale of property, plant and equipment	67	112	341
Net cash flow from investing activities	(491)	(545)	(1,410)
Cash flows from financing activities			
Interest paid	(26)	(21)	(42)
Repayment of bank and other loans	(125)	(125)	(250)
Capital element of leasing payments	(78)	-	(166)
Equity dividends paid	-	(1,565)	(1,565)
Net cash flow from financing activities	(229)	(1,711)	(2,023)
Net (decrease)/increase in cash and cash equivalents	(381)	697	8,545
Cash and cash equivalents at beginning of period	17,856	9,311	9,311
Cash and cash equivalents at end of period	17,475	10,008	17,856

Notes to the interim accounts - as at 30 June 2020

Segmental Reporting

The Group trading operations of Billington Holdings plc are in Structural Steelwork and Safety Solutions, and all are continuing. The Structural Steelwork segment includes the activities of Billington Structures Limited and Peter Marshall Steel Stairs Limited, and the Safety Solutions segment includes the activities of easi-edge Limited and hoard-it Limited. The Group activities, comprising services and assets provided to Group companies and a small element of external property rentals and management charges, are shown in Other. All assets of the Group reside in the UK.

	Unaudited Six months to 30th June 2020 £000	Unaudited Six months to 30th June 2019 £000	Audited Twelve months to 31st December 2019 £000
Analysis of revenue (including movement in WIP)			
Structural Steelwork	29,549	43,351	96,787
Safety Solutions	3,229	3,797	8,124
Other	-	-	-
Consolidated total	<u>32,778</u>	<u>47,148</u>	<u>104,911</u>

Analysis of Group operating (loss)/profit before finance income/(cost)

Structural Steelwork	(56)	1,966	4,315
Safety Solutions	661	733	1,639
Other	5	(14)	(18)
Consolidated total	<u>610</u>	<u>2,685</u>	<u>5,936</u>

Basis of preparation

These consolidated interim financial statements are for the six months ended 30 June 2020. They have been prepared with regard to the requirements of IFRS. The financial information set out in these consolidated interim financial statements does not constitute statutory accounts as defined in S434 of the Companies Act 2006. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2019 which contained an unqualified audit report and have been filed with the Registrar of Companies. They did not contain statements under S498 of the Companies Act 2006.

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

Dividends

In the first half of 2019 Billington Holdings Plc declared a final dividend of 13.0 pence per share amounting to £1,565,000. No final dividend has been declared in the first half of 2020 as the dividend was suspended to preserve cash resources. No interim dividend for 2020 has been declared (2019: nil).

These results were approved by the Board of Directors on 21 September 2020.