REGISTERED NUMBER: 02644192 (England and Wales)

Carey Group PLC

Group Strategic Report, Directors' Report and

Consolidated Financial Statements

for the Year Ended 31 March 2018

Carey Group PLC

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Carey Group PLC

Company Information
for the Year Ended 31 March 2018

Directors:	Mr Thomas Carey Mr Patrick Joseph Carey Mr John Carey Mr John Anthony Carey Mr Denis Patrick Deacy Mr Alan McCarthy
Secretary:	Mrs Fiona Mary O'Donnell
Registered office:	Carey House Great Central Way Wembley Middlesex HA9 0HR
Registered number:	02644192 (England and Wales)
Independent auditors:	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors The Atrium 1 Harefield Road Uxbridge Middlesex UB8 1EX
Bankers:	Allied Irish Bank (GB) 202 Finchley Road London NW3 6BX

Carey Group PLC

Chairman's Statement
for the Year Ended 31 March 2018

This financial year 2017/18 has been another successful period for the Group. The business has performed very well during the year and our growth continues in line with our forecast predictions.

During the financial year 2017/18 the Group's Profit before Taxation was **£18.7m** (2017: £19.1m).

Profit levels have remained at an acceptable level and are in line with expectations.

The Group's strategy remains focused on generating profitable growth through continued successful delivery of contracts for our clients.

Our Key Performance Indicators continue to show a positive trend, consistent with ongoing improvements in project deliveries.

Our success is primarily achieved through the hard work and diligence of our staff at all levels and we will continue to develop and train for the future to ensure our success can be continued.

This year has seen further significant investment in high quality resources to cater for our current and forecast growth.

Growth in Net Assets has also been achieved in the year, **£97.3m** compared to £77.8m in 2017.

There were no Group Board changes during the year.

In conclusion the past year generally has seen a period of strong performance for the Group and where performance levels have fallen below expectations plans to drive improvements have been agreed and implemented

The Board looks forward confidently to continuing the growth and success of the business in 2018/19.

John Carey
Chairman

Carey Group PLC

Group Strategic Report
for the Year Ended 31 March 2018

The directors present their strategic report of the company and the group for the year ended 31 March 2018.

HEADLINE FACTS AND FIGURES

- Turnover £**510.5m** (2017: £549.2m)
- Profit before Taxation £**18.7m** (2017: £19.1m)
- Net Assets £**97.3m** (2017: £77.8m)
- Future Order Book as at 31st March 2018 £340m
- Riddor injuries (like for like) on all group contracts were 17 with an accident frequency rate of 0.19.

CORPORATE GOVERNANCE

The Board of Directors are committed to the principles of corporate governance contained in the UK Corporate Governance Code ('Code') issued by the Financial Reporting Council in September 2012, which came in to force for this financial year.

BUSINESS STRATEGY

The Group's business;

The Carey Group is a contracting group providing specialist services to the construction industry and through Seneca, a waste management service.

The Group's principal activity during the year continued to be that of specialist contractors on a variety of building, civil engineering and demolition contracts for a broad spectrum of clients in the public and private sectors. In addition, the Group operates a residential and commercial development division. The Group also operates a waste recycling business which produces refuse derived fuel (RDF) for the European market.

The Group continues to operate throughout the United Kingdom and Ireland.

BUSINESS REVIEW

Operating divisions:

P J Carey (Contractors) Limited - Building and Civil Engineering Contractors

P J Carey (Contractors) Limited are one of the UK and Ireland's largest specialist contractors carrying out civil engineering and concrete frames across all sectors for a wide range of clients. The self-delivery model adopted by Careys allows direct control of all elements of a project, guaranteeing clients the quality and safety they expect from a leading contractor.

Turnover **£302m** (2017: £346.6m); Operating Profit **£15.0m** (2017: £8.4m).

BDL Group plc - Dry Lining Contractors

BDL was founded over 30 years ago and is a market leader in the drywall sector of the construction industry. BDL operates primarily in London and the South East and works on both commercial and residential schemes.

Turnover **£86.3m** (2017: £68.2m); Operating Profit **£3.1m** (2017: £1.6m).

P J Carey Plant Hire (Oval) Limited - Plant Hire

P J Carey Plant Hire (Oval) Limited is utilised primarily to provide specialist support plant hire service for all Contracting Divisions within the Group.

Turnover **£37.3m** (2017: £42.9m); Operating Profit **£0.9m** (2017: £1.3m).

T E Scudder Limited - Demolition Contractors

T E Scudder Limited is regarded as one of the UK's leading demolition contractors working across all aspects of the demolition industry. T E Scudder Limited delivers works both directly to clients, acting as Principal Demolition Contractor, or works integrally with other divisions of the Carey Group on major construction projects.

Turnover **£46.0m** (2017: £45.1m); Operating Profit **£3.2m** (2017: £2.5m).

Seneca Environmental Solutions Limited - Waste Recycling

Seneca Environmental Solutions Limited helps clients to manage their resources efficiently and effectively, to reduce, re-use and re-cycle their waste. Seneca operates from a Materials Recycling Facility (MRF), located at Hannah Close, Wembley. The MRF has the capability to convert and reprocess up to 1.1 million tonnes of waste materials annually, creating valuable reusable and recyclable materials. Seneca offer clients a one-stop waste and resource management service, helping them to achieve exemplary standards of sustainability in a very cost-effective and efficient way.

Turnover **£27.4m** (2017: £28.1m); Operating Profit **£1.6m** (2017: £2m).

Careys New Homes Limited - Property Development and Builders

Careys New Homes Limited is a bespoke developer and an integral part of the Carey Group and are currently developing a portfolio of properties in southern England. They place a large emphasis on building responsibly and sustainably to ensure their properties contribute and enhance the local environment.

Turnover **£26.2m** (2017: £43.6m); Operating Profit **£1.5m** (2017: £5.5m).

ION Environmental Solutions Limited (Previously TES Asbestos Solutions Limited) - Asbestos Treatment Contractors

ION Environmental Solutions Limited are a specialist licensed asbestos removal contractor working on a national basis for both independent clients and in-house companies.

Turnover **£2.6m** (2017: £2.4m); Operating (Loss) **(£1.0m)** (2017: (£0.2m)).

Carey Group PLC

Group Strategic Report
for the Year Ended 31 March 2018

P J Carey (Contractors) Limited (Company Registered in Ireland) - Building and Civil Engineering Contractors.

P J Carey (Contractors) Limited is an Irish resident company managing civil engineering and construction contracts within Ireland.

Turnover **€28.4m** (2017: €27.2m); Operating Profit/(Loss) (**€0.9m**) (2017: €0.12m).

Cadant Limited

Cadant Limited has not traded during 2017/18.

Turnover **£0m** (2017: £0.0m); Operating Profit **£0m** (2017: £0.0m).

Careys Environmental Services Limited (Company Registered in Ireland) - Property Development Company

Turnover **€0m** (2017: €0.0m); Operating Profit **€.0.2m** (2017: €0.14m).

Careys Estates Doon (Company Registered in Ireland) - Property Development Company

Turnover **€7.3m** (2017: €3.1m); Operating Profit **€1.0m** (2017: €0.46m).

Careys Shared Equity Limited - Mortgage Providers

Turnover **£0.16m** (2017: £0.04m); Operating Profit **£0.1m** (2017: £0.04m).

Crucare Limited - Building and Civil Engineering Contractors

Turnover **£0m** (2017: £0.0m); Operating Profit **£0m** (2017: £0.0m).

Careys Estate Agency Limited - Estate agents

Turnover **£0m** (2017: £0m); Operating Loss **(£0m)** (2017: £0.0m).

The Carey Group are pleased to announce the addition of Careys Design Team Limited, Careys 35 Baird Street Limited and Careys 1 Hand Axe Yard to our group offering.

Careys Design Team Limited – Design and visualisation services

Careys Design Team provide advanced digital design and visualisation solutions for all our Contracting Divisions as well as for external clients. Careys Design Team also provide operational support throughout our project phases using innovative 4D modelling and design techniques.

Turnover **£1.1m** (01/08/16 to 30/09/17: £0.9m); Operating Profit **£0.1m** (01/08/16 to 30/09/17: £0.1m).

Careys 35 Baird Street Limited – Property management services

Turnover **£0.1m** (2017: £0m); Operating Profit **£0.1m** (2017: £0m).

Careys 1 Hand Axe Yard Limited – Property management services

Turnover **£0.2m** (2017: £0m); Operating Profit **£0.1m** (2017: £0m).

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the Group's performance and could cause actual results to differ materially from expected and historical results.

The principal risks inherent in the Group's business model, include the following:

Interest rate risk

The Group has a policy of borrowing at both fixed and floating rates of interest to finance its purchase of development sites and fixed assets. The risk is managed by monitoring key ratios such as interest cover and loan to value percentages. These ratios are calculated using conservative estimates for future interest rates. The group does not use derivative financial instruments to manage this risk and, as such, no hedge accounting is applied.

Credit risk

The Group has implemented policies that require credit checks on potential customers before contracts are entered into.

Liquidity risk

The Group is funded through its retained profits, overdraft and fixed term bank borrowings. The directors actively monitor cash flow projections and maintain close communication with the group's bankers to ensure that the group has sufficient available funds for its operations. Following their review of the latest cash flow forecast, the directors are confident that the Group will be able to meet its loan covenant requirements and settle its liabilities as they fall due.

Currency risk

The Group has an operation in the Republic of Ireland and hence has transactions denominated in Euro. The directors manage this risk by using Euro income to pay Euro expenses.

Management

The success of the Group is dependent on recruiting and retaining skilled senior management and personnel and failure to do so would put the Group's ability to successfully carry out its plans at risk.
The Group's employment policies are designed to mitigate this exposure and ensure that an appropriately skilled workforce is, and remains, in place.

CORPORATE SOCIAL RESPONSIBILITY

The Group believes that the long-term interests of employees and clients are best served by acting in a socially responsible manner. As such, the Group ensures that a high standard of corporate governance is maintained.

Employees and employee's involvement

The welfare, development and engagement of the Group's employees are central to developing a strong culture, with employee capability and motivation acknowledged as being central to delivery of the Group's strategy. The Human Resources department actively works alongside the Group's management to recruit, develop and retain capable people.

During the year, the policy of providing employees with information about the group has continued through a newsletter in which employees have been encouraged to present their suggestions. Furthermore, the Group has implemented improved formal employee consultation procedures. In addition, the Group provides employees with information about business developments through regular meetings with senior management.

The further growth of The Carey Foundation, a non-profit Community Interest Company (CIO), has also afforded us the opportunity to support employee nominated charities and create a support vehicle to impart knowledge and manage contributions to local community-based charities.

Disabled employees

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person.
When an existing employee has become disabled, it is the Group's policy, where practicable, to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

Equality and diversity

The Group is committed to providing a working environment in which employees feel valued, respected and are able to contribute to the success of the business. The Group is committed to employing a workforce that recognises the diversity of its customers. Employees are requested to co-operate with the Group's efforts to ensure this approach is fully implemented.

Training and development

The Group considers its employees its most valuable asset, and therefore we train, develop and provide learning opportunities for all our employees to increase their knowledge, skills and development. The investment in learning, training and development of our workforce allows us to achieve our corporate objectives and targets whilst providing our employees with the opportunity to commit to their own personal learning, competence and development within the Carey Group plc.

Training and development of skills and experience is essential to the delivering success and targeting a culture of zero defects, accidents and impacts and a sustainable business, training is delivered to meet the following requirements:

- Health, safety and environmental compliance, including legislative requirements;
- Business strategy, current and future needs and develop a competitive advantage;
- Ensure our employees are competent to meet their roles and responsibilities;
- Supporting an individual's personal learning and development to fulfil their potential and enable the Company to achieve its aims.

Health and Safety policy

It is the Group's policy to comply with the terms of the Health and Safety at Work Act 1974, and subsequent legislation, and to provide and maintain a healthy and safe working environment.

The directors are committed to ensuring all employees and sub-contractors have a healthy and safe working environment. The formation of a safety leadership team to oversee the on-going implementation of a behavioural team cultural programme SHED ("Safe Home Every Day") and the continuation of a comprehensive training programme will ensure that the continual improvement in health and safety performance can be realised.

To ensure the safety message of SHED is disseminated effectively regional safety leadership team meetings are held with representatives from all grades of employees. These teams will ensure safety on all sites remains a fundamental consideration and demonstrates our commitment to ensure everyone will be "safe home every day".

While the management of the Group will do all within its power to ensure the health and safety of its employees, it is recognised that health and safety at work is the responsibility of each and every individual associated with the Group. It is the duty of each employee to take reasonable care of their own and other people's welfare and to report any situation which may pose a threat to the well-being of any other person.

Health and Safety policies and procedures are managed by the Group health and safety Division which liaises directly with business division directors and senior management as necessary.

Delivering What We Promise.
We are committed to a working environment where people are valued, respected and are proud to be part of the Carey Group. Where we all go "Safe Home Every Day".

Our Group commitment:

WE VALUE
- You
- An environment to promote honesty, trust and respect
- The development of a culture of team spirit
- Your personal development and improvement of life, health and prosperity
- A passion and pride in what we do
- Delivering what we promise
- Our reputation

WE WILL
- Lead by example
- Take care of the safety, health and wellbeing of our people
- Treat everyone with dignity and respect
- Encourage open communication, listen and act
- Recognise and reward behaviour consistent with our values
- Share knowledge and experience
- Be honest and straight talking
- Be accountable

Environmental policy

The Group also recognises the importance of our environment. All contracts are assessed to comply with our Group environmental policy, relevant environmental legislation and industry codes of practice. Work methods are adopted which minimise waste production and reduce carbon emissions.

A dedicated in-house environmental team ensures that the effects of the Group's activities are continually reviewed to reflect accepted industry protocols and as a consequence reduce the impact site activities have on the environment.

Our commitment to environmental matters is clearly demonstrated by Seneca's approach to waste. Namely, how a holistic and circular, rather than linear approach; delivering a truly "cradle to cradle" solution can re-imagine waste as a resource; to extract the maximum value from every waste material by recycling or reusing them as the raw ingredients for the next generation of manufacturing and construction products. Building a Sustainable Future.

Sustainability

Sustainable processes and development are at the heart of everything we do and form a critical component within our decision-making process. To us it's not about doing things differently, it's about doing them better and considering their future impact.

Sustainability impacts:

- the way we procure materials and select partners
- how we plan and manage our construction projects
- our development strategy and how we nurture the talents of our employees
- how we plan and build for the future of Careys

Approval of Strategic Report

The above comprises a strategic report for the Group which has been drawn up and presented in accordance with, and in reliance upon, applicable English company law, in particular Chapter 4A of the Companies Act 2006. It should be noted that the Strategic Report has been prepared for the Group and acts a strategic report for all subsidiaries.

Approved by the Board of Directors and signed on behalf of the Board.

On behalf of the board:

....
Denis Patrick Deacy – Group Chief Executive Officer

Date: 24/09/2018

Carey Group PLC

Directors' Report
for the Year Ended 31 March 2018

The directors present their report and the audited financial statements of the group for the year ended 31 March 2018.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Consolidated financial results

The group's key financial indicators were as follows:

	2018	2017	**% change**
	£	£	
Contracting turnover	**452,931,975**	475,297,765	**-4.7%**
Residential & commercial turnover	**32,768,027**	46,111,431	**-28.9%**
Other turnover	**24,775,552**	27,810,518	**-10.9%**
Total turnover	**510,475,554**	549,219,714	**-7.1%**
Operating profit	**19,705,805**	20,010,386	**-1.5%**
Profit before tax	**18,678,921**	19,118,053	**-2.3%**
Profit after tax	**15,979,569**	15,171,073	**5.3%**
Equity shareholders' funds	**97,261,499**	77,756,557	**25.1%**
Average number of employees	**1,325**	1,463	**-9.4%**

Results and dividends

The profit for the year, after taxation, amounted to **£15,979,569** (2017: £15,171,073). A dividend of **£ nil** was paid during the year (2017: £1m).

Directors' Report
for the Year Ended 31 March 2018

Directors
The directors of the company who were in office during the year and up to the date of signing the financial statements were:
J Carey
P Carey
T Carey
D Deacy
JA Carey
A McCarthy

Company Secretary
F O'Donnell

Political and charitable contributions

The group is proud to support a number of charities in their vital work. Contributions totalling **£228,934** (2017: £227,032) were made during the year. No political donations were made during the year (2017: £nil).

Carey Group PLC

Directors' Report
for the Year Ended 31 March 2018

Statement as to disclosure of information to auditors
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

• As far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
• The director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Independent auditors
The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

....
Denis Patrick Deacy – Group Chief Executive Officer

Date: 24/09/2018

Independent auditors' report to the members of Carey Group PLC

Report on the audit of the financial statements

Opinion

In our opinion, Carey Group PLC's group financial statements and parent company financial statements (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 31 March 2018 and of the group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group Strategic Report, Directors' Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the consolidated and company Statements of Financial Position as at 31 March 2018; the Consolidated Statement of profit and loss, the Consolidated Statement of comprehensive income, the Consolidated Statement of Cash Flows, and the Consolidated and Company Statements of Changes in Equity for the Year then Ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Group Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Group Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic Report and Directors' Report for the year ended 31 March 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Andrew Latham

Andrew Latham (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
24 September 2018

Carey Group PLC

Consolidated Statement of profit and loss for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Turnover		**510,475,554**	549,219,714
Cost of sales		**(433,349,654)**	(476,115,076)
Gross profit		**77,125,900**	73,104,638
Administrative expenses		**(61,656,880)**	(54,719,095)
Other operating income	4	**4,129,451**	1,624,843
Operating profit	6	**19,598,741**	20,010,386
Interest receivable and similar income		**6,453**	265
		19,604,924	20,010,651
Interest payable and similar expenses	7	**(926,003)**	(892,598)
Profit before taxation		**18,678,921**	19,118,053
Tax on profit	8	**(2,699,353)**	(3,946,980)
Profit for the financial year		**15,979,569**	15,171,073
Profit attributable to:			
Owners of the parent		**15,979,569**	15,171,073

Carey Group PLC

Consolidated Statement of comprehensive income
for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Profit for the year		**15,979,569**	15,171,073
Other comprehensive income			
Actuarial gain (loss)		**729,570**	(2,641,670)
Retranslation of foreign subsidiaries		**741,018**	1,472,969
Revaluation of land and buildings		**2,833,565**	3,505,324
Deferred tax on revaluation		**(775,897)**	(1,344,528)
Other comprehensive income for the year, net of income tax		**3,528,256**	992,095
Total comprehensive income for the year		**19,507,825**	16,163,168
Total comprehensive income attributable to:			
Owners of the parent		**19,507,825**	16,163,168

Consolidated Statement of Financial Position
31 March 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		**1,144,543**		7,413
Tangible assets	12		**63,073,967**		42,272,955
Investments	13		**54,178**		54,178
Investment property	14		**19,800,000**		16,585,000
			84,072,688		63,919,547
Current assets					
Stocks	15	**59,029,245**		61,542,294	
Debtors	16	**85,570,837**		82,911,842	
Cash at bank		**15,106,379**		20,152,304	
		159,706,461		164,606,440	
Creditors					
Amounts falling due within one year	17	**(118,361,808)**		(120,600,074)	
Net current assets			**41,344,653**		44,006,366
Total assets less current liabilities			**125,417,341**		107,925,911
Creditors					
Amounts falling due after more than one year	18		**(24,680,808)**		(25,480,185)
Pension liability	22		**(3,475,034)**		(4,689,170)
Net assets			**97,261,499**		77,756,557
Capital and reserves					
Called up share capital	21		**250,000**		250,000
Revaluation reserve			**8,934,329**		6,876,661
Other reserves			**2,953,891**		2,956,774
Retained earnings			**85,123,279**		67,673,122
Shareholders' funds			**97,261,499**		77,756,557

The financial statements were approved by the Board of Directors on 24/09/2018 and were signed on its behalf by:

....
Denis Patrick Deacy - Director

Carey Group PLC (Registered number: 02644192)

Company Statement of Financial Position
31 March 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Investments	13		**2,006,304**		2,006,004
			2,006,304		2,006,004
Current assets					
Debtors	16	**73,830,828**		64,548,981	
Cash at bank		**8,009**		20,295	
		73,838,837		64,569,276	
Creditors					
Amounts falling due within one year	17	**(1,514,649)**		(1,313,040)	
Net current assets			**73,324,188**		63,256,236
Total assets less current liabilities			**74,330,492**		65,262,240
Creditors					
Amounts falling due after more than one year	18		**(67,530,803)**		(57,988,178)
Pension liability	22		**(3,475,034)**		(4,689,170)
Net assets			**3,324,655**		2,584,892
Capital and reserves					
Called up share capital	21		**250,000**		250,000
Retained earnings			**3,074,655**		2,334,892
Shareholders' funds			**3,324,655**		2,584,892

The financial statements were approved by the Board of Directors on 24/09/2018 and were signed on its behalf by:

....

Denis Patrick Deacy – Group Chief Executive Officer

Carèy Group PLC

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Revaluation reserve £	Other reserves £	Total equity £
Balance at 1 April 2016	250,000	54,792,533	4,714,505	2,836,350	62,593,388
Changes in equity					
Dividends	-	(1,000,000)	-	-	(1,000,000)
Profit for the financial year	-	15,171,073	-	-	15,171,073
Revaluation gain (net of tax)	-	-	2,160,796	-	2,160,796
Actuarial loss on pension	-	(2,641,670)	-	-	(2,641,670)
Exchange gains (losses) on translation	-	1,351,185	1,360	120,424	1,472,969
Balance at 31 March 2017	250,000	67,673,122	6,876,661	2,956,774	77,756,557
Changes in equity					
Issue of share capital	-	-	-	-	-
Profit for the financial year	-	15,979,569	-	-	15,979,569
Revaluation gain (net of tax)	-	-	2,057,668		2,057,668
Actuarial gain on pension	-	729,570	-	-	729,570
Exchange gains (losses) on translation	-	741,018	-	(2,883)	738,135
Balance at 31 March 2018	250,000	85,123,279	8,934,329	2,953,891	97,261,499

The revaluation reserve gain is stated net of deferred tax.

Carey Group PLC

Company Statement of Changes in Equity for the Year Ended 31 March 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2016	250,000	820,862	1,070,862
Changes in equity			
Dividends	-	(1,000,000)	(1,000,000)
Total comprehensive income	-	5,155,700	5,155,700
Actuarial loss on pension	-	(2,641,670)	(2,641,670)
Balance at 31 March 2017	250,000	2,334,892	2,584,892
Changes in equity			
Total comprehensive income	-	10,193	10,193
Actuarial gain on pension	-	729,570	729,570
Balance at 31 March 2018	250,000	3,074,655	3,324,655

Carey Group PLC

Consolidated Statement of Cash Flows for the Year Ended 31 March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	A	**13,467,495**	19,606,196
Interest paid		**(654,166)**	(627,042)
Interest element of hire purchase and finance lease rental payments paid		**(271,836)**	(265,556)
Tax paid		**(2,420,425)**	(3,978,994)
Net cash from operating activities		**10,121,068**	14,734,604
Cash flows from investing activities			
Purchase of tangible fixed assets		**(20,022,158)**	(7,075,053)
Purchase of intangible fixed assets		**(1,140,037)**	-
Sale of intangible fixed assets		**309,286**	-
Sale of tangible fixed assets		**-**	284,782
Interest received		**6,453**	265
Net cash from investing activities		**(20,846,456)**	(6,790,006)
Cash flows from financing activities			
Repayment of obligations under leases		**(3,528,759)**	(3,559,225)
Assets purchased under finance leases		**4,791,668**	3,922,708
Proceeds from issue of Bank loan		**10,725,000**	9,880,000
Repayment of Bank borrowing		**(6,308,445)**	(7,179,284)
Capital repayments in year		**-**	(70,189)
Equity dividends paid		**-**	(1,000,000)
Net cash from financing activities		**5,679,464**	1,994,010
(Decrease)/increase in cash and cash equivalents		**(5,045,925)**	9,938,608
Cash and cash equivalents at beginning of year	B	**20,152,304**	10,213,696
Cash and cash equivalents at end of year	B	**15,106,379**	20,152,304

Carey Group PLC

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31 March 2018

A. Reconciliation of profit for the financial year to cash generated from operations

	2018	2017
	£	£
Profit for the financial year	**15,979,569**	15,171,073
Depreciation charges	**6,748,489**	5,822,024
Profit on disposal of fixed assets	**(157,687)**	(68,685)
Pension adjustment paid but not charged	**(720,000)**	(720,000)
Revaluation of Investment Properties	**(3,215,000)**	-
Foreign exchange difference	**(50,185)**	1,351,185
Finance costs	**926,003**	892,598
Finance income	**(6,453)**	(265)
Taxation	**2,699,353**	3,946,976
	22,204,088	26,394,909
Decrease/(increase) in stocks	**2,513,049**	(12,032,198)
Decrease/(increase) in trade and other debtors	**(2,658,995)**	(7,707,352)
Decrease in trade and other creditors	**(8,590,647)**	(12,950,838)
Cash generated from operations	**13,467,495**	19,606,196

B. Cash and cash equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2018

	31/3/18	1/4/17
	£	£
Cash and cash equivalents	**15,106,379**	**20,152,304**

Year ended 31 March 2017

	31/3/17	1/4/16
	£	£
Cash and cash equivalents	20,152,304	10,213,696

1. Statutory information

Carey Group PLC is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. Statement of compliance

The individual and consolidated financial statements of Carey Group Plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of land and buildings, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation
The financial statements consolidate the financial statements of Carey Group Plc and all of its subsidiary undertakings ('subsidiaries'). Balances existing between group companies and transactions between group companies during the year have been eliminated on consolidation.

Turnover
Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes. The specific criteria relating to each of the Group's sales channels have been met, as described below.

i Long term contract revenue
Amounts recoverable on contracts are valued at anticipated net sales value of work done after provision for contingencies and anticipated future losses on contracts.
Cash received on account on contracts is deducted from amounts recoverable on contracts. Such amounts which have been received and exceed amounts recoverable are included in creditors.
Contract provisions more than amounts recoverable are included in provisions for liabilities and charges.
ii Housing revenue
Turnover is recognised on housing sales at the date of Legal Completion on the house and apartment sales.
iii Design revenue
Turnover on design is recognised as the value of the service provided.
iv Waste management revenue
Turnover on waste management is recognised at the date the waste is delivered to the recycling site.

Goodwill and amortisation

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets of the acquired subsidiary.

Goodwill is amortised over its expected useful life. Where the Group is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding five years. Goodwill is assessed for impairment where there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

Intangible fixed assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives: Software 3 - 5 years.

Amortisation is charged to administrative expenses in the Profit and Loss account. Costs associated with maintaining computer software are recognised as an expense as incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land - 0% per annum (held at valuation)
Plant and machinery - 10 - 25% per annum reducing balance/straight line
Fixtures and fittings - 10 - 25% per annum reducing balance/straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Freehold properties are included in the financial statements based on valuations undertaken every year. Unrealised surpluses or deficits arising on the valuation are taken directly to the revaluation reserve except that any permanent deficit in excess of the revaluation reserve is charged to the profit and loss account. In accordance with the Statement of Standard Accounting Practise 19, no depreciation is provided on freehold properties. The directors consider this accounting policy is necessary for the financial statements to show a true and fair view.

Investments

Investments in subsidiaries are valued at cost less provision for impairment. Other investments, held as fixed assets, are shown at cost less provision for impairment.

Investment Properties

Freehold properties are included in the financial statements based on valuations undertaken every year. Unrealised surpluses or deficit in excess of the revaluation reserve is charged to the profit and loss account as a component of other operating income. In accordance with FRS 102, no depreciation is provided on freehold properties. The directors consider this accounting policy is necessary for the financial statements to show a true and fair review.

Inventories and work in progress

Inventories and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is calculated as follows:

Raw materials, consumables and goods for resale are valued at purchase cost on a first in, first out basis

Work in progress on development sites are valued at cost of direct materials and labour plus attributable overheads.

Work in progress on development properties includes undeveloped land and land under development. Net realisable value represents the estimated selling prices less all estimated costs of completion.

The group continues to monitor the performance of its development sites and, where appropriate, obtain independent professional valuations. If it is deemed that there is any excess impairment as a site progresses, this will be released through cost of sales.

Foreign currency

• Functional and presentation currency

The Group and Company's financial statements are presented in pound sterling.

• Transactions and balances

Foreign currency transactions are translated into the functional currency using average exchange rates for the period, as this reasonably approximates the exchange rates at the actual dates of the transactions. At each period end, foreign currency monetary items are translated using the closing rate. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account, within Administrative Expense.

• Translation

The trading results of Group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other Comprehensive Income'.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

• Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

• Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, and defined benefit (closed to new members) and defined contribution pension plans. Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Pensions

The company participates in two defined contribution pension schemes for certain directors and employees respectively which are funded by the payment of contributions to a separately administered fund. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account in the year in which they become payable.

The company also participates in the Carey Group Plc Pension Scheme, a multi-employer defined benefit pension scheme which requires contributions to be made to a separately administered fund. The scheme ceased future pension accrual for active members from 31 March 2006 and became paid up. The assets of the defined benefit pension scheme are held separately from those of the company in an independently managed fund. The scheme is accounted for by the company as if it were a defined contribution scheme as outlined in note 23 to the financial statements.

Claims and retentions receivable

No account is taken of claims submitted or to be submitted on completed contracts until revenue in respect of the claims is received. Revenue from the release of retention monies is similarly recognised only when received.

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities.

Share capital

Ordinary shares are classified as equity.

Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Related party transactions

There are transactions within the Group, which are eliminated on consolidation. These transactions are reported in the individual company financial statements and are on terms negotiated between the two entities.

Borrowing costs

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

Interest income

Interest income is recognised in the profit and loss account in the period in which it is received.

Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS102 in respect of financial instruments.

Basic financial liabilities, including amounts owed to group undertakings, are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

3. **Accounting policies - continued**

Research and development
Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.
i Critical judgements in applying the entity's accounting policies

Long term contract accounting
Contract accounting, specifically the estimated costs to complete requires judgements to be made. Revenue is recognised based upon an internal assessment of the value of works carried out. This assessment is arrived at after due consideration of the performance against the programme of works, measurement of the works, detailed valuation of the costs occurred and comparison to the external certification of the work performed. Profit is not recognised in the income statement until the outcome of the contract is reasonably certain. Revenue from the release of retention monies and claims submitted is recognised only when received.
In order to determine the profit and loss that the Group is able to recognise on its developments and construction contracts in a specific period, the Group has to allocated total costs of the developments and construction contracts between the proportion completing in the period and the proportion to complete in a future period. The assessment of the total costs to be incurred and final contract value requires a degree of estimation, as does the assessment of a development's valuation. However, Group management has established internal controls to review and ensure the appropriateness of estimates made on an individual contract basis, including any necessary contract provisions. Amounts recoverable on construction contracts are disclosed in note 16.

ii Critical accounting estimates and assumptions

Useful economic lives of tangible assets
The annual depreciation and amortisation charges for tangible assets respectively are sensitive to changes in the useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments and economic utilisation of the assets.
Deferred tax asset
The company has recognised a deferred tax asset on the availability of tax losses. The tax asset has been recognised on the assumption that the company will continue to generate sufficient future taxable profits which the directors have assessed as probable.
Defined benefit pension scheme
The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

4. **Other operating income**

	2018	2017
	£	**£**
Rents received	**-**	914,248
Rental Income	**914,451**	710,595
Revaluation of investment property	**3,215,000**	-
	4,129,451	1,624,843

5. **Employees and directors**

The average monthly number of employees during the year was as follows:

	2018	2017
	£	**£**
Administration	**568**	522
Operations	**757**	941
	1,325	1,463

Staff costs	**2018**	**2017**
	£	**£**
Wages and salaries	**69,549,924**	69,390,992
Social security costs	**8,115,515**	8,028,600
Other pension costs	**1,577,787**	1,718,003
	79,243,226	79,137,595

	2018	2017
	£	£
Directors' remuneration	**4,435,505**	3,806,289

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	**3**	3

The remuneration of the highest paid director for the year was £502,501 (2017: £466,770).

6. Operating profit

The operating profit is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	**3,413,073**	2,590,049
Depreciation - assets on hire purchase contracts and finance leases	**3,335,416**	3,203,003
Profit on disposal of fixed assets	**(119,100)**	(68,685)
Computer software amortisation	**2,907**	8,547
Fees payable to the auditor's		
in respect of group's annual accounts	**182,400**	157,300
Taxation compliance services	**43,000**	42,970
Foreign exchange differences	**(50,185)**	135,563

7. Interest payable and similar expenses

	2018	2017
	£	£
On bank loans, overdraft and other loans wholly repayable within 5 years	**654,167**	627,042
On finance leases and hire purchase contracts	**271,836**	265,556
	926,003	892,598

8. Taxation

Analysis of tax charge in the year	2018 £	2017 £
Current tax		
UK corporation tax charge on profit for the year	3,197,630	3,822,552
Foreign tax suffered	2,481	21,442
Adjustments in respect of prior periods	(1,858,587)	(24,834)
Other / Rounding's	2	-
Total current tax	1,341,526	3,819,610
Deferred tax		
Origination and timing differences	514,451	115,587
Effect of tax changes	(54,154)	(12,509)
Adjustment in respect of prior years	897,530	24,292
	1,357,827	127,370
Tax on profit on ordinary activities	2,699,353	3,946,980

	2018 £	2017 £
Analysis of tax charge in the year included in other comprehensive income		
Deferred Tax		
Origination and timing differences on pension liability	149,430	495,190
Origination and timing differences on revaluation	524,113	(1,344,528)
Origination and timing differences	673,543	(849,338)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2017: higher than) the standard rate of corporation tax in the UK of 19% ((2017: 20%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	18,678,921	19,118,053

8. Taxation - continued

	2018 £	2017 £
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017: 20%)	**3,548,994**	3,823,611
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairments	**61,481**	267,905
Income not taxable	**(347,579)**	-
Utilisation of tax losses	**(224,488)**	(434)
Adjustments to tax charge in respect of prior periods	**(961,055)**	(91)
Deferred tax not provided	**121,702**	(101,505)
Difference in tax rates	**300**	(12,509)
Other	**(2)**	(29,997)
Current tax charge for the year (see note above)	**2,699,353**	3,946,980

The deferred taxation asset recognised in the financial statements is as follows:

	2018 £	2017 £
Short term timing differences	**41,810**	9,459
Non-trading timing differences	**7**	964,830
Fixed Asset timing differences	**(2,380,540)**	(1,534,511)
	(2,338,723)	(560,222)

The deferred taxation asset/(liability) not recognised in the financial statements is as follows:

	2018 £	2017 £
Fixed Assets	**974**	1,188
Timing differences – trading	**130**	-
Timing differences – non-trading	**31**	-
Losses	**121,728**	26
	122,863	1,214

Deferred tax recognised in the balance sheet:

	2018 £	2017 £
Provision at start of the period	**(560,222)**	416,485
Adjustment in respect of prior years	**(936,644)**	(720,440)
Deferred tax charge to I/S for the period	**(360,156)**	(127,370)
Deferred tax charge in OCI for the period	**(481,708)**	(128,897)
At 31 March	**(2,338,723)**	(560,222)

Tax rate changes

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

9. Individual statement of profit and loss

As permitted by Section 408 of the Companies Act 2006, the Statement of Profit and loss and other comprehensive income of the parent company is not presented as part of these financial statements.

10. Dividends

An interim dividend of **£ nil** was paid during the year (2017: £1m) and the directors do not recommend that a final dividend is paid.

11. Intangible fixed assets

Group

	Totals £
Cost	
At 1 April 2017	22,663
Additions	1,140,037
Disposals	(3,900)
At 31 March 2018	1,158,800
Amortisation	
At 1 April 2017	(15,250)
Amortisation for year	(2,908)
Eliminated on disposals	(3,900)
At 31 March 2018	14,258
Net book value	
At 31 March 2018	1,144,543
At 31 March 2017	7,413

12. Tangible fixed assets

Group

	Freehold property £	Fixtures, fittings and plant and machinery £	Totals £
Cost or valuation			
At 1 April 2017	28,175,000	44,264,571	72,439,571
Additions	10,751,445	9,270,712	20,022,158
Disposals	-	(2,594,489)	(2,594,489)
Revaluations	2,833,565	-	2,833,565
At 31 March 2018	41,760,010	50,940,795	92,700,805
Depreciation			
At 1 April 2017	-	(25,166,616)	(25,166,616)
Charge for year	-	(6,748,849)	(6,748,849)
Eliminated on disposal	-	2,288,626	2,288,626
At 31 March 2018	-	(29,626,839)	(29,626,839)
Net book value			
At 31 March 2018	41,760,010	21,313,957	63,073,967
At 31 March 2017	28,175,000	19,097,955	47,272,955

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	9,618,542	9,467,598

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Land and buildings at cost	36,788,536	25,455,170

13. Fixed asset investments

Group

	Listed investments
	£
Cost	
At 1 April 2017	54,178
Additions	-
Impairments	-
At 31 March 2018	54,178
Net book value	
At 31 March 2018	54,178
At 31 March 2017	54,178

Company

	Shares in group undertakings	Other investments	Totals
	£	£	£
Cost			
At 1 April 2017	2,001,004	5,000	2,006,304
Additions	300	-	300
Net book value			
At 31 March 2018	2,001,304	5,000	2,006,304

14. Investment property

Group

	Total £
Fair value	
At 1 April 2017	16,585,000
Revaluations	3,215,000
At 31 March 2018	19,800,000
Net book value	
At 31 March 2018	19,800,000
At 31 March 2017	16,585,000

Fair value at 31 March 2018 is represented by:

	£
Valuation in 2015	2,415,000
Valuation in 2016	2,730,000
Valuation in 2017	1,340,000
Valuation in 2018	3,215,000
Historic Cost	10,100,000
	19,800,000

Changes in fair value of investment properties are recognised in profit and loss and therefore a reserves transfer has been undertaken to transfer prior period gains in fair value (net of tax) from the revaluation reserves to retained earnings.

15. Stocks

	Group	
	2018	2017
	£	£
Raw materials	**121,181**	133,608
Land and buildings not yet under development	**49,098,685**	46,044,258
Work-in-progress	**9,633,459**	15,364,428
	59,029,245	61,542,294

16. Debtors

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	**25,389,794**	34,998,454	**-**	-
Amounts owed by group undertakings	**-**	-	**73,772,763**	64,548,981
Amounts recoverable on contracts	**51,201,875**	43,172,549	**-**	-
Other debtors	**457,170**	996,209	**-**	-
Value Added Tax Recoverable	**3,148,913**	-	**-**	-
Deferred Tax asset	**617,551**	-	**-**	-
Prepayments and accrued income	**4,755,533**	3,744,630	**58,065**	-
	85,570,837	82,911,842	**73,830,828**	64,548,981

17. Creditors: amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 19)	**8,234,079**	3,508,358	**-**	175,000
Other loans (see note 19)	**257,720**	55,779	**-**	-
Hire purchase contracts and finance leases (see note 20)	**3,368,833**	3,250,193	**-**	-
Trade creditors	**37,515,483**	64,645,269	**1,235**	-
Corporation Tax	**2,050,490**	3,129,391	**-**	-
Social security and other taxes	**3,020,737**	3,723,702	**83,983**	58,124
VAT	**4,358,035**	4,556,616	**-**	-
Other creditors	**16,242,167**	3,818,119	**226,527**	1,079,916
Accruals and deferred income	**43,314,264**	33,912,647	**1,202,903**	-
	118,361,808	120,600,074	**1,514,649**	1,313,040

18. Creditors: amounts falling due after more than one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans (see note 19)	**14,752,292**	15,061,457	**-**	-
Hire purchase contracts and finance leases (see note 20)	**6,972,240**	6,156,375	**-**	-
Amounts owed to group undertakings	**-**	-	**64,739,449**	54,286,044
Deferred Tax	**2,956,275**	560,222	**-**	-
Accruals and deferred income	**-**	3,702,131	**2,791,354**	3,702,134
	24,680,808	25,480,185	**67,530,803**	57,988,178

19. Loans

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts	22,986,370	18,569,815	-	175,000
Loan from related party	257,720	55,779	-	-
Finance leases	10,341,075	9,406,568	-	-
	33,495,165	28,032,162	-	175,000

Bank loans and overdrafts

The bank loans are secured by way of first legal mortgage over properties acquired in connection with the loans. The bank loans are also secured by first mortgage debenture over the assets of the respective companies. Interest on bank loans were charged from LIBOR plus 3% pa. to LIBOR plus 4% pa. and paid quarterly. Since year end £5,034,995 of the current instalment on bank loans have been repaid, leaving £3,199,084 to be paid before 31 March 2019.

20. Leasing agreements

The future minimum finance lease payments are as follows:

	2018	2017
	£	£
No later than one year	3,747,508	3,447,343
Later than one year but not later than five years	6,972,240	6,376,102
	10,719,748	9,823,445
Less: finance charges	(378,673)	(416,877)
	10,341,075	9,406,568

21. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31/3/18	31/3/17
			£	£
250,000	Ordinary Shares	£1	250,000	250,000

22. Employee benefit obligations

a) The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £1,141,450 (2017: £1,718,004). Contributions totalling £219,715 (2017: £215,023) were payable to the fund at the balance sheet date and are included within creditors.

b) The company operates a Defined benefit pension scheme.

Certain Group companies, including PJ Carey (Contractors) Limited, TE Scudder Limited and PJ Carey Plant Hire (Oval) Limited participate in the Carey Group plc Pension Scheme, a multi-employer defined benefit pension scheme which requires contributions to be made to a separately administered fund. The scheme ceased future pension accrual for active members from 31 March 2006 and became paid up.

The directors of each group company have taken professional actuarial advice and concluded that it is not possible to identify their share of the assets and liabilities within the Carey Group plc pension scheme on a consistent and reasonable basis. This decision was taken due to the fact that all contributions and assets are invested together, and are not assigned to one employer, and therefore each employer's share of the assets cannot be identified on a consistent basis from year to year. Further, contribution rates paid by each employer bear no relation to the age profile of the members, leading to cross subsidisation between employers, with some employers paying more than actually required to fund the cost of accruals of benefits for each participating employer.

The contributions paid by the subsidiaries, therefore are accounted as if the scheme were a defined contribution scheme, as the subsidiaries are unable to identify their share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

Under FRS 102 the valuation of the scheme shows a deficit at 31 March 2018 of £4,187,000 (2017: £5,654,000). It is assumed that this deficit will be eliminated by improved investment returns but all companies in the Carey Group plc Pension Scheme will have some liability to meet any future deficit to the scheme, in order for it to meet its liabilities. However, the directors consider that the overall deficit has no adverse effect on the long-term future of the company and Group.

The total contributions to the defined benefit pension plan in the next year are expected to be £720,000 (2017: £720,000)

The most recent full actuarial valuation of the scheme was carried out as at 6 April 2013 and has been updated to 31 March 2018 by a qualified independent actuary. The expected rate of return on the plan assets is derived based on the long-term expectations of each asset class.

	2018 £	2017 £
Present Value of funded obligations	(19,617,000)	(20,451,000)
Fair value of scheme assets	15,430,000	14,797,000
Deficit in scheme	(4,187,000)	(5,654,000)
Related deferred tax assets	711,966	964,830
Total	(3,475,034)	(4,689,170)

The amounts recognised in profit or loss are as follows:

	2018 £	2017 £
Interest on obligation	(507,000)	(559,000)
Expected return on scheme assets	375,000	463,000
Total	(132,000)	(96,000)

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

	2018 £	2017 £
Opening defined benefit obligation	20,451,000	16,776,369
Interest cost	507,000	559,000
Remeasurement arising from changes in assumptions	(1,130,000)	4,275,631
Remeasurement arising from experience	88,000	(896,000)
Benefits paid	(299,000)	(264,000)
Total	19,617,000	20,451,000

Changes in the fair value of the scheme assets are as follows:

	2018 £	2017 £
Opening fair value of scheme assets	14,797,000	13,389,000
Interest income	375,000	463,000
Actual return on plan assets, excluding interest income	(163,000)	489,000
Contributions by employer	720,000	720,000
Benefits paid	(299,000)	(264,000)
Total	15,430,000	14,797,000

Principal actuarial assumption at the Balance Sheet data (expressed as weighted averages):

		2018 %	2017 %
Discount rate at 31 March		2.60	2.50
Expected return on scheme assets		2.40	2.51
Inflation assumptions		3.30	3.40
Mortality assumptions:			
Members aged 65	- male	21.8 years	22.0 years

	-female	**23.7 years**	**24.0 years**
Members aged 65, 20 years on	-male	**22.8 years**	**23.3 years**
	-female	**24.9 years**	**25.5 years**

The expected rate of return on plan assets is based on the long-term expectation of each asset class. Amounts for the current and previous four periods are as follows:
Defined benefit pension schemes

	2018	2017	2016	2015	2014
	£k	£k	£k	£k	£k
Defined benefit obligation	**(19,617)**	**(20,451)**	(16,776)	(16,839)	(14,152)
Scheme assets	**15,430**	**14,797**	13,389	13,362	11,699
	(4,187)	**(5,654)**	(3,387)	(3,477)	(2,453)
Experience adjustments on scheme liabilities gain/(loss)	**(88)**	**896**	384	161	(1,016)
Experience adjustments on scheme assets gain/(loss)	**(163)**	**489**	(936)	615	(41)

23. Claims and retentions receivable

As explained in the accounting policies note on claims and retentions receivable, no account has been taken of claims submitted or to be submitted on completed contracts until entitlements and revenue in respect of the claims is received. Revenue from the release of the retention monies is similarly recognised only when received.

The value of retentions as at 31 March 2018 amount to £27,350,190 (2017: £24,599,567).

The value of claims as at 31 March 2018 is estimated at £9.8m by directors (2017: £8.5m).

24. Subsidiaries

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

24. Subsidiaries - continued

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Company name	Holding	Proportion held (%)	Nature of business
P J Carey (Contractors) Limited	Ordinary shares	100	Building and civil engineering
P J Carey Plant Hire (Oval) Limited	Ordinary shares	100	Plant hire
Cadant Limited	Ordinary shares	100	Dance hall proprietors
Careys New Homes Limited (formerly known as Maxplan Properties Limited)	Ordinary shares	100	Property development and builders
T E Scudder Limited	Ordinary shares	100	Demolition contractors
Seneca Environmental Services Limited	Ordinary shares	100	Waste recycling
Crucare Limited	Ordinary shares	100	Building and civil engineering
Careys Estate Agency Limited	Ordinary shares	100	Estate agents
ION Environmental Solutions Limited	Ordinary shares	100	Asbestos Removal
Careys Environmental Services Limited, incorporated in Ireland	Ordinary shares	100	Property development company
Careys Estates Doon incorporated in Ireland	Ordinary shares and preference shares	100	Property development company
Careys Shared Equity Limited	Ordinary shares	100	Mortgage providers
P J Carey (Contractors) Limited, incorporated in Ireland	Ordinary shares	100	Building and civil engineering
BDL Group Plc	Ordinary shares	100	Dry lining contractors
Careys Design Team Limited	Ordinary shares	100	Specialist construction Design services
Careys Baird Street Limited	Ordinary shares	100	Property management services
Careys 1 Hand Axe Yard Limited	Ordinary shares	100	Property management services

All companies in the Group are incorporated in England and Wales, unless specified otherwise in the table above.

All subsidiaries hold their registered office at Carey House, Great Central Way, Wembley, HA9 0HR, UK with the exception of the three Irish companies. The Irish registered companies hold their registered office at Carey House, Dardistown, Cloghran, Co. Dublin, Ireland.

26. Ultimate controlling party

The company is owned by J Carey, P Carey and T Carey who are all directors of Carey Group Plc. In the opinion of the directors, there is neither an ultimate parent undertaking nor controlling.