

Cpl Resources plc

Group Statement of Comprehensive Income

for the year ended 30 June 2018

	2018	2017
	€'000	€'000
Revenue	522,691	455,194
Cost of sales	<u>(439,541)</u>	<u>(383,372)</u>
Gross profit	83,150	71,822
Distribution expenses	(4,144)	(4,134)
Administrative expenses*	<u>(61,125)</u>	<u>(52,301)</u>
Operating profit	17,881	15,387
Financial income	862	438
Financial expenses	<u>(197)</u>	<u>(48)</u>
Profit before tax	18,546	15,777
Income tax expense	<u>(2,410)</u>	<u>(2,337)</u>
Profit for the financial year - all attributable to equity shareholders	16,136	13,440
	<u>=====</u>	<u>=====</u>
Profit attributable to:		
Owners of the Parent	16,089	13,394
Non-controlling interests	47	46
	<u>16,136</u>	<u>13,440</u>
	<u>=====</u>	<u>=====</u>
Other comprehensive income		
Foreign currency translation differences - foreign operations	<u>(335)</u>	<u>(453)</u>
Total comprehensive income for the financial year - all attributable to equity shareholders	15,801	12,987
	<u>=====</u>	<u>=====</u>
Basic earnings per share (cent)	56.6	43.7
Diluted earnings per share (cent)	56.6	43.7

* Includes €1,693,000 of non-cash LTIP charge (2017: €388,000)

Cpl Resources plc

Group Statement of Changes in Equity

for the year ended 30 June 2018

	Share capital €'000	Share premium €'000	Other undenominated capital fund €'000	Merger reserve €'000	Currency translation reserve €'000	Put option reserve €'000	Share based payment reserve €'000	Retained earnings €'000	Total €'000	Non- controlling interests €'000	Total Shareholders' equity €'000
Balance at 30 June 2016	3,053	1,705	724	(3,357)	(593)	(400)	2,164	90,444	93,740	(29)	93,711
Total comprehensive income for the year											
Profit for the financial year	-	-	-	-	-	-	-	13,394	13,394	46	13,440
Foreign currency translation effects	-	-	-	-	(460)	-	-	-	(460)	7	(453)
Transactions with shareholders											
Share based payment charge	-	-	-	-	-	-	388	-	388	-	388
Dividends paid	-	-	-	-	-	-	-	(3,512)	(3,512)	(31)	(3,543)
Shares issued	33	-	-	-	-	-	-	-	33	-	33
Put Option granted	-	-	-	-	-	(740)	-	-	(740)	-	(740)
Non controlling interest on acquisition in year	-	-	-	-	-	-	-	735	735	124	859
Balance at 30 June 2017	3,086	1,705	724	(3,357)	(1,053)	(1,140)	2,552	101,061	103,578	117	103,695

Cpl Resources plc

Group Statement of Changes in Equity (continued)

for the year ended 30 June 2018

	Share capital €'000	Share premium €'000	Other undenominated capital fund €'000	Merger reserve €'000	Currency translation reserve €'000	Put option reserve €'000	Share based payment reserve €'000	Retained earnings €'000	Total €'000	Non- controlling interests €'000	Total Shareholders' equity €'000
Balance at 1 July 2017	3,086	1,705	724	(3,357)	(1,053)	(1,140)	2,552	101,061	103,578	117	103,695
Total comprehensive income for the year											
Profit for the financial year	-	-	-	-	-	-	-	16,089	16,089	47	16,136
Foreign currency translation effects	-	-	-	-	(332)	-	-	-	(332)	(3)	(335)
Transactions with shareholders											
Share based payment charge	-	-	-	-	-	-	1,693	-	1,693	-	1,693
Dividends paid	-	-	-	-	-	-	-	(3,501)	(3,501)	(30)	(3,531)
Capital redemption	(370)	-	370	-	-	-	-	(25,161)	(25,161)	-	(25,161)
Balance at 30 June 2018	2,716	1,705	1,094	(3,357)	(1,385)	(1,140)	4,245	88,488	92,366	131	92,497

Cpl Resources plc

Company Statement of Changes in Equity

for the year ended 30 June 2018

	Share Capital €'000	Share Premium €'000	Other undernominated capital fund €'000	Share based payment reserve €'000	Put option reserve €'000	Retained earnings €'000	Shareholders equity €'000
Balance at 30 June 2016	3,053	1,705	724	2,164	(400)	522	7,768
Total comprehensive income for the year							
Profit for the financial year	-	-	-	-	-	29,698	29,698
Transactions with shareholders							
Share based payment charge	-	-	-	388	-	-	388
Dividends paid	-	-	-	-	-	(3,512)	(3,512)
Shares issued	33	-	-	-	-	-	33
Put Option granted	-	-	-	-	(740)	-	(740)
Balance at 30 June 2017	3,086	1,705	724	2,552	(1,140)	26,708	33,635
Balance at 1 July 2017	3,086	1,705	724	2,552	(1,140)	26,708	33,635
Total comprehensive income for the year							
Profit for the financial year	-	-	-	-	-	9,791	9,791
Transactions with shareholders							
Share based payment charge	-	-	-	1,693	-	-	1,693
Dividends paid	-	-	-	-	-	(3,501)	(3,501)
Capital redemption	(370)	-	370	-	-	(25,161)	(25,161)
Balance at 30 June 2018	2,716	1,705	1,094	4,245	(1,140)	7,837	16,457

Cpl Resources plc

Group and Company Balance Sheets

as at 30 June 2018

	Group		Company	
	2018	2017	2018	2017
Assets	€'000	€'000	€'000	€'000
Non current assets				
Property, plant and equipment	2,239	1,870	1,793	1,603
Goodwill and intangible assets	25,887	26,002	1,201	1,316
Investments in subsidiaries	-	-	34,135	31,065
Deferred tax asset	952	710	154	70
Total non-current assets	29,078	28,582	37,283	34,054
Current assets				
Trade and other receivables	104,070	99,664	58,412	119,286
Cash and Cash equivalents	29,823	38,819	15,691	9,659
Total current assets	133,893	138,483	74,103	128,945
Total assets	162,971	167,065	111,386	162,999
Equity				
Capital and reserves attributable to the owners of the Parent				
Issued share capital	2,716	3,086	2,716	3,086
Share premium	1,705	1,705	1,705	1,705
Other reserves	(543)	(2,274)	4,199	2,136
Retained earnings	88,488	101,061	7,837	26,708
	92,366	103,578	16,457	33,635
Non-controlling interests	131	117	-	-
Total equity	92,497	103,695	16,457	33,635
Current liabilities				
Trade and other payables	69,334	61,415	93,789	127,409
Total current liabilities	69,334	61,415	93,789	127,409
Non current liabilities				
Contingent consideration	-	815	-	815
Put option liability	1,140	1,140	1,140	1,140
Total non current liabilities	1,140	1,955	1,140	1,955
Total liabilities	70,474	63,370	94,929	129,364
Total equity and liabilities	162,971	167,065	111,386	162,999

Cpl Resources plc
Group and Company Cash Flow Statements
for the year ended 30 June 2018

	Group		Company	
	2018	2017	2018	2017
	€'000	€'000	€'000	€'000
Cash flows from operating activities				
Profit for the financial year	16,136	13,440	9,791	29,698
<i>Adjustments for:</i>				
Depreciation on property, plant and equipment	524	770	605	544
Share based payment charge	1,693	388	-	-
Amortisation of intangible assets	465	459	465	450
Financial income	(862)	(438)	-	-
Financial expense	197	48	-	-
Income tax expense/(credit)	2,410	2,337	(31)	(7)
Operating cash flows before changes in working capital	20,563	17,004	10,830	30,685
(Increase)/decrease in trade and other receivables	(3,780)	(3,320)	59,497	2,975
Increase/(decrease) in trade and other payables	5,936	6,590	(34,481)	(30,881)
Cash generated from operations	22,719	20,274	35,846	2,779
Interest (paid)	(197)	(48)	-	-
Income tax (paid)	(2,090)	(1,825)	(7)	(6)
Interest received	47	22	-	-
Net cash from operating activities	20,479	18,423	35,839	2,773
Cash flows from investing activities				
Investment in subsidiaries	-	-	-	(9,544)
Purchase of property, plant and equipment	(894)	(667)	(795)	(426)
Acquisition of business (net of cash and loans acquired)	-	(13,359)	-	-
Purchase of intangible assets	(350)	(345)	(350)	(345)
Net cash (outflow) from investing activities	(1,244)	(14,371)	(1,145)	(10,315)
Cash flows from financing activities				
Shares issued	-	33	-	33
Dividends paid	(3,531)	(3,543)	(3,501)	(3,512)
Repurchase of own shares	(25,161)	-	(25,161)	-
Net cash (used in) financing activities	(28,692)	(3,510)	(28,662)	(3,479)
Net (decrease)/increase in cash and cash equivalents	(9,457)	542	6,032	(11,021)
Cash and Cash equivalents at beginning of year	33,634	33,092	9,659	20,680
Cash and Cash equivalents at end of year	24,177	33,634	15,691	9,659

Cpl Resources plc

Notes

1. Financial income and expenses	2018	2017
	€'000	€'000
Group		
Change in fair value of financial liabilities	(815)	(406)
Interest (income) on cash deposits	(47)	(32)
	<u>(862)</u>	<u>(438)</u>
<i>Interest expense</i>		
Interest payable	<u>197</u>	<u>48</u>
2. Income tax expense	2018	2017
	€'000	€'000
Recognised in income statement:		
<i>Current tax expense</i>		
Current year	2,679	2,276
Adjustments in relation to prior years	(27)	6
	<u>2,652</u>	<u>2,282</u>
Current tax expense	2,652	2,282
<i>Deferred tax</i>		
Origination and reversal of temporary differences	(250)	106
Adjustments in relation to prior years	8	(51)
	<u>(242)</u>	<u>55</u>
Total tax in the income statement	2,410	2,337
Reconciliation of effective tax rate	2018	2017
	€'000	€'000
Profit before tax	<u>18,546</u>	<u>15,777</u>
Tax based on Irish corporation tax rate of 12.5%	2,318	1,972
(Non-taxable)/non-deductible items	(70)	122
Other deductions	-	104
Differences in effective tax rates on overseas earnings	(37)	29
Losses on which deferred tax not recognised	187	154
Income taxed at higher rate	31	1
(Over) provision in prior years	(19)	(45)
	<u>2,410</u>	<u>2,337</u>
Total tax in income statement	2,410	2,337

Cpl Resources plc

Notes

(Continued)

3. Dividends to equity shareholders

Interim dividends to equity shareholders in Cpl Resources plc are recognised when the interim dividend is paid by the Company. The final dividend in respect of each financial year is recognised when the dividend has been approved by the Company's shareholders. During the financial year, the following dividends were recognised:

	2018	2017
	€'000	€'000
Final dividend paid in respect of previous financial year of 5.75 cent (2017: 5.75 cent) per ordinary share	1,775	1,756
Interim dividend paid in respect of current financial year of 6.35 cent (2017: 5.75 cent) per ordinary share	1,726	1,756
Dividend paid in respect of Non-controlling interest	30	31
	3,531	3,543

The directors have proposed a final dividend in respect of the 2018 financial year of 7.15 cent per ordinary share. This dividend has not been provided for in the Company or Group balance sheet as there was no present obligation to pay the dividend at the year end. The final dividend is subject to approval by the Company's shareholders at the Annual General Meeting.

4. Earnings per share

	2018	2017
	€'000	€'000
<i>Numerator for basic and diluted earnings per share:</i>		
Profit for the financial year attributable to equity shareholders	16,089	13,394
<i>Denominator for basic earnings per share:</i>		
Weighted average number of shares in issue for the year	28,406,721	30,655,391
<i>Denominator for diluted earnings per share:</i>	28,406,721	30,655,391
Basic and diluted earnings per share (cent)	56.6	43.7

Cpl Resources plc

Notes

(Continued)

5. Trade and other receivables

	Group		Company	
	2018	2017	2018	2017
	€'000	€'000	€'000	€'000
Trade receivables	74,445	74,841	-	-
Accrued Income	24,524	20,581	-	-
Prepayments and other debtors	3,968	3,710	2,375	2,062
Corporation Tax	1,133	532	-	-
Amounts due from subsidiary undertakings	-	-	56,037	117,224
	104,070	99,664	58,412	119,286

Amounts due from subsidiary undertakings are repayable on demand.

6. Net funds

	Group		Company	
	2018	2017	2018	2017
	€'000	€'000	€'000	€'000
Cash and cash equivalents	29,823	38,819	15,691	9,659
Bank overdraft	(4)	(6)	-	-
Invoice discounting facility	(5,642)	(5,179)	-	-
	24,177	33,634	15,691	9,659
Cash and cash equivalents in the cash flow statement	24,177	33,634	15,691	9,659
Net funds	24,177	33,634	15,691	9,659

Cpl Resources plc

Notes (Continued)

7. Share capital, share premium, and other reserves	2018 €'000	2017 €'000
<i>Authorised</i>		
50,000,000 Ordinary shares at €0.10 each	<u>5,000</u>	<u>5,000</u>
<i>Allotted, called up and fully paid</i>		
27,172,153 (2017: 30,875,856) Ordinary shares at €0.10 each	<u>2,716</u>	<u>3,086</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

During the year, the Group returned €25,000,000 of cash to its shareholders by way of a fixed price tender offer. Pursuant to this, the Company repurchased and cancelled 3,703,703 shares, reducing the issued share capital by approximately 12%.

Share premium at 30 June 2018 amounted to €1,705,000 (2017: €1,705,000).

Other reserves comprise an other undenominated capital fund of €1,093,666 (2017: €723,666), a merger reserve of €3,357,000 negative (2017: €3,357,000 negative), a currency translation reserve of €1,385,000 negative (2017: €1,053,000 negative), a share based payment reserve of €4,245,000 (2017: €2,552,000) and a put option reserve of €1,140,000 negative (2017: €1,140,000 negative). The merger reserve arose in 1998 when the Company acquired by way of a share for share exchange the share capital of two group companies formerly under common ownership, management, and control. The translation reserve movement comprises all foreign exchange differences from 1 July 2017 arising from the translation of the net assets of the Group's non-euro denominated operations including the translation of the results of such operations from the average exchange rate for the year to the exchange rate at the balance sheet date.

Cpl Resources plc

Notes

(Continued)

8. Trade and other payables

Amounts falling due in less than one year:

	Group		Company	
	2018	2017	2018	2017
	€'000	€'000	€'000	€'000
Trade creditors	2,800	2,802	1,395	940
Invoice discounting facility	5,642	5,179	-	-
Bank overdraft	4	6	-	-
Accruals	38,145	33,515	2,423	2,494
VAT	11,892	10,064	-	-
PAYE/PRSI	10,851	9,849	-	-
Amounts due to subsidiary undertakings	-	-	89,971	123,975
	69,334	61,415	93,789	127,409

Amounts due to subsidiary undertakings are repayable on demand.

9. Basis of preparation

The financial information included in this preliminary result statement has been extracted from the Group's financial statements for the year ended 30 June 2018 and is prepared based on accounting policies set out therein. As permitted by EU law and in accordance with AIM / ESM rules, the Group financial statements have been prepared in accordance with International Financial Reporting Standards and their interpretations issued by the International Accounting Standards Board as adopted by the EU. The Group Financial Statements will be filed with the Irish Registrar of Companies and circulated to shareholders in due course.