

# Chairman's Statement

## Results and review

For the year ending 27<sup>th</sup> April 2019, the result on a 'like for like' basis increased by 48% to £5.99m (2018 - £4.04m) on revenue of £77.71m (2018 - 68.09m) an uplift of 14% on last year. On a similar basis, earnings per share would have been 29.0p (2018- 20.5p) an increase of 41%.

However, after a one-off £1.2m charge for 'guaranteed minimum pension equalisation' (see note 3 of the notes to the financial statements) the profit before taxation is reduced to £4.79m and earnings per share to 23.1p. Net cash was £22.89m (2018 - £15.87m) an increase of 44% on last year. The value of the Group order book at year-end was down on this time last year and there is very clear evidence, that many customers are reticent to place new orders until their perceived specific requirements become critically essential.

Reviewing the status of the varied markets we serve and responding to notable changes whether they be positive or negative is clearly an important management function and one that we always take very seriously in a thoroughly well informed, but also sensitive manner.

Fortuitously, as a Group we are very well armed, as we align to the ups and downs of the global markets we serve thanks to our diverse, profitable, international operations and a strong cash position, which supports those major product and facility developments that are in hand.

A key element in our '**Defence**' business strategy has been to increase our presence significantly within the global defence market so that we can effectively counter the varied current constraints on UK MoD decisions regarding future requirements and expenditure. It is pleasing to report that once again, international sales accounted for the major component of revenue as we reap the benefits of our considerable investment in a substantial number of new products aimed specifically at the global market.

'**Forgings**' had a 10% uplift in revenue over the comparable period, overcoming the many challenges in international markets posed by product imported from lower cost economies. Our strategic move last year to focus on manufacturing in the United States has been exceptionally well received in a country where domestically manufactured product has considerable appeal over imported goods. This maturing investment phase is also enabling us to rationalise and re-position some of our UK production facilities, thereby better aligning our business with the notable decline of fork-lift truck production in the UK.

'**Petrol Station Superstructures**' enjoyed a significant upturn in activity with revenue increasing markedly compared to the period of market weakness during the previous year. Largely this is being driven by the structural transformation of traditional 'petrol filling station' sites, that were once almost exclusively selling fuel, into ones that are distinct, local convenience stores and multiple food outlets with ample car parking – that also serve fuel. This repositioning to a much broader retail offering has gathered substantial momentum across our customer base with clear benefits for the division. Furthermore, a much higher focus by management and the team on improving all round performance brought its just rewards.

'**Petrol Station Branding**' division maintained an admirable performance in line with that of the previous year. Here again the market is rapidly changing as the global oil companies continue to divest their estates to the numerous groups of fuel retail ownership. As a result the established branding programmes of the vendors are subject to review as the new owners determine their own priorities, fuel suppliers and schedules of requirements. Notwithstanding such significant changes, we are able to accommodate and support the priorities of these new customers without difficulty, thanks to the high reputation of our business. Pleasingly, our substantial activities across much of mainland Europe are now gaining notable traction in the UK through our fledgling operation which continues to prosper.

## Outlook

This has been a creditable year of progress for the Group and we are encouraged by the good progress made across the various businesses. However, we believe that we are approaching 'very interesting times'. Despite our best endeavours in corporate product development and international marketing, there are times, such as now, when experience tells us some challenging external influences may come to bear on the business.

Nevertheless, recognising the challenges ahead of the game, is of course critical to maintain momentum. We believe that we are fully aware of such circumstances and we will do whatever is necessary to overcome any hurdles and protect at all times the Company's past and future development.

We are committed to moving the business forward and have the resilience, experience, and dedication along with a great team of people plus the financial resources to support and develop opportunities as they arise.

All matters considered the Board recommends the payment of a maintained final dividend of 6.5p per share, making the total for the year of 8.25p (2018 – 8.25p). The final dividend is expected to be paid on 25th July, 2019 to those shareholders on the register at the close of business on 21st June, 2019.

Michael Bell  
5<sup>th</sup> June 2019

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# Consolidated income statement

For the 52 weeks ended 27th April, 2019

	2019	2018
	Total	Total
	£000	£000
Continuing operations		
Revenue	77,708	68,085
Cost of sales	(56,131)	(49,903)
Gross profit	21,577	18,182
Distribution costs	(3,537)	(3,383)
Administrative expenses	(11,846)	(10,546)
	(15,383)	(13,929)
	6,194	4,253
Past service pension costs	(1,198)	-
Group operating profit	4,996	4,253
Interest received	93	51
Interest paid	(116)	(82)
Other finance costs - pensions	(186)	(183)
	(209)	(214)
Profit before taxation	4,787	4,039
Taxation	(975)	(653)
Profit for the period attributable to equity holders of the parent	3,812	3,386
Earnings per share: basic and diluted	23.1p	20.5p

# Consolidated statement of comprehensive income

For the 52 weeks ended 27th April, 2019

	2019	2018
	Total	Total
	£000	£000
Profit for the period attributable to equity holders of the parent	3,812	3,386
Exchange differences on retranslation of foreign operations	(242)	(175)
Net other comprehensive (loss) to be reclassified to profit or loss in subsequent periods	(242)	(175)
Remeasurement gains on defined benefit pension scheme	403	858
Deferred taxation on remeasurement on defined benefit scheme	(69)	(146)
Revaluation surplus on land and buildings	-	2,052
Deferred taxation on revaluation surplus on land and buildings	-	(254)

<b>Net other comprehensive income not being reclassified to profit or loss in subsequent periods</b>	<b>334</b>	<b>2,510</b>
<b>Total comprehensive income for the period attributable to equity holders of the parent</b>	<b>3,904</b>	<b>5,721</b>

# Consolidated and company statement of changes in equity

For the 52 weeks ended 27th April, 2019

	Share capital	Capital redemption reserve	Other reserves	Revaluation reserve	Share Premium account	Currency translation reserve	Treasury shares	Retained earnings	Total shareholders' funds
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>(a) Group</b>									
At 29th April, 2017	1,840	901	2,815	4,257	1,629	696	(3,059)	19,962	<b>29,041</b>
Profit for the period	-	-	-	-	-	-	-	3,386	<b>3,386</b>
Other comprehensive income/loss	-	-	-	1,798	-	(175)	-	712	<b>2,335</b>
Total comprehensive income/loss	-	-	-	1,798	-	(175)	-	4,098	<b>5,721</b>
Dividends paid	-	-	-	-	-	-	-	(1,362)	<b>(1,362)</b>
At 28th April, 2018	1,840	901	2,815	6,055	1,629	521	(3,059)	22,698	<b>33,400</b>
IFRS 15 adjustment	-	-	-	-	-	-	-	(144)	<b>(144)</b>
Profit for the period	-	-	-	-	-	-	-	3,812	<b>3,812</b>
Other comprehensive income/(loss)	-	-	-	-	-	(242)	-	334	<b>92</b>
Total comprehensive income/(loss)	-	-	-	-	-	(242)	-	4,146	<b>3,904</b>
Dividends paid	-	-	-	-	-	-	-	(1,362)	<b>(1,362)</b>
<b>At 27th April, 2019</b>	<b>1,840</b>	<b>901</b>	<b>2,815</b>	<b>6,055</b>	<b>1,629</b>	<b>279</b>	<b>(3,059)</b>	<b>25,338</b>	<b>35,798</b>
<b>(b) Company</b>									
At 29th April, 2017	1,840	901	1,565	4,351	1,629	-	(3,059)	18,745	<b>25,972</b>
Profit for the period	-	-	-	-	-	-	-	532	<b>532</b>
Other comprehensive income	-	-	-	1,704	-	-	-	712	<b>2,416</b>
Total comprehensive income	-	-	-	1,704	-	-	-	1,244	<b>2,948</b>
Dividends paid	-	-	-	-	-	-	-	(1,362)	<b>(1,362)</b>
At 28th April, 2018	1,840	901	1,565	6,055	1,629	-	(3,059)	18,627	<b>27,558</b>
IFRS 15 adjustment	-	-	-	-	-	-	-	(144)	<b>(144)</b>
Reserve transfer	-	-	6,055	(6,055)	-	-	-	-	<b>-</b>
Loss for the period	-	-	-	-	-	-	-	(233)	<b>(233)</b>
Other comprehensive income	-	-	-	-	-	-	-	334	<b>334</b>
Total comprehensive income	-	-	-	-	-	-	-	101	<b>101</b>
Dividends paid	-	-	-	-	-	-	-	(1,362)	<b>(1,362)</b>
<b>At 27th April, 2019</b>	<b>1,840</b>	<b>901</b>	<b>7,620</b>	<b>-</b>	<b>1,629</b>	<b>-</b>	<b>(3,059)</b>	<b>17,222</b>	<b>26,153</b>

# Consolidated and company statements of financial position

At 27th April, 2019

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	20,426	20,766	1,265	14,043
Intangible assets	4,483	4,893	-	-
Investments in subsidiaries	-	-	15,036	15,204
Deferred income tax asset	1,156	1,092	1,241	1,092
	<b>26,065</b>	26,751	<b>17,542</b>	30,339
<b>Current assets</b>				
Inventories	12,624	11,666	1,462	1,017
Trade and other receivables	7,044	14,617	22,489	10,003
Income tax receivable	44	114	21	-
Prepayments	1,774	1,127	299	335
Cash and cash equivalents	22,886	15,866	-	-
	<b>44,372</b>	43,390	<b>24,271</b>	11,355
<b>TOTAL ASSETS</b>	<b>70,437</b>	70,141	<b>41,813</b>	41,694
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share capital	1,840	1,840	1,840	1,840
Capital redemption reserve	901	901	901	901
Other reserves	2,815	2,815	7,620	1,565
Revaluation reserve	6,055	6,055	-	6,055
Share premium account	1,629	1,629	1,629	1,629
Currency translation reserve	279	521	-	-
Treasury shares	(3,059)	(3,059)	(3,059)	(3,059)
Profit/(loss) for the period	3,812	3,386	(233)	531
Retained earnings	21,526	19,312	17,455	18,096
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>	<b>35,798</b>	33,400	<b>26,153</b>	27,558
<b>Non-current liabilities</b>				
Defined benefit pension liability	6,802	6,421	6,802	6,421
Deferred income tax liability	1,567	1,625	-	1,154
	<b>8,369</b>	8,046	<b>6,802</b>	7,575
<b>Current liabilities</b>				
Bank overdraft	-	-	582	342
Trade and other payables	25,375	28,052	8,276	6,204
Income tax payable	895	643	-	15
	<b>26,270</b>	28,695	<b>8,858</b>	6,561
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>70,437</b>	70,141	<b>41,813</b>	41,694

# Consolidated and company cash flow statements

For the 52 weeks ended 27th April, 2019

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Profit/(loss) before taxation	4,787	4,039	(312)	488
<i>Adjustments to reconcile profit before taxation to net cash inflow/(outflow) from operating activities</i>				
Past service pension costs	1,198	-	1,198	-
IFRS 15 working capital adjustment	(144)	-	(144)	-
Depreciation charge	1,318	1,266	551	708
Amortisation charge	375	507	-	-
Net increase/(reversal) of impairment in investment in subsidiary undertaking	-	-	168	(213)
Profit on sale of fixed assets	(80)	(113)	(60)	(84)
Dividends received	-	-	(690)	(360)
Finance costs	209	214	249	232
Foreign exchange losses	(460)	(74)	-	-
Increase in inventories	(958)	(1,521)	(445)	241
Decrease/(increase) in receivables	7,573	(3,224)	(1,384)	(1,530)
(Increase)/decrease in prepayments	(647)	(184)	36	489
(Decrease)/increase in payables	(1,849)	2,679	1,992	(6,281)
(Decrease)/increase in progress payments	(828)	(91)	80	213
Pension fund payments	(600)	(389)	(600)	(389)
<b>Cash generated from/(invested in) operating activities</b>	<b>9,894</b>	<b>3,109</b>	<b>639</b>	<b>(6,486)</b>
Net interest paid	(23)	(31)	(63)	(49)
Taxation paid	(797)	(111)	(36)	(89)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>9,074</b>	<b>2,967</b>	<b>540</b>	<b>(6,624)</b>
<b>Investing activities</b>				
Investment in MSI- Forks Inc	-	-	-	(652)
Dividends received from subsidiaries	-	-	690	360
Transfer of net assets to MSI-Defence Systems Ltd.	-	-	-	(5,127)
Purchase of property, plant and equipment	(891)	(1,106)	(284)	(568)
Proceeds on disposal of property, plant and equipment	199	157	176	105
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(692)</b>	<b>(949)</b>	<b>582</b>	<b>(5,882)</b>
<b>Financing activities</b>				
Dividends paid	(1,362)	(1,362)	(1,362)	(1,362)
<b>Net cash outflow from financing activities</b>	<b>(1,362)</b>	<b>(1,362)</b>	<b>(1,362)</b>	<b>(1,362)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>7,020</b>	<b>656</b>	<b>(240)</b>	<b>(13,868)</b>
<b>Opening cash and cash equivalents/(bank overdraft)</b>	<b>15,866</b>	<b>15,210</b>	<b>(342)</b>	<b>13,526</b>
<b>Closing cash and cash equivalents/(bank overdraft)</b>	<b>22,886</b>	<b>15,866</b>	<b>(582)</b>	<b>(342)</b>

The financial information set out above does not constitute the Company's statutory accounts for the periods ended 27<sup>th</sup> April, 2019 or 28<sup>th</sup> April, 2018 but is derived from those accounts. Statutory accounts for 2018 have been delivered to the Registrar of Companies, and those for 2019 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts; their reports were unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.



## 1 Segment information

The following table presents revenue and profit and certain assets and liability information regarding the Group's divisions for the periods ended 27th April, 2019 and 28th April, 2018. The reporting format is determined by the differences in manufacture and services provided by the Group. The Defence division is engaged in the design, manufacture and service of defence equipment. The Forgings division is engaged in the manufacture of forgings. The Petrol Station Superstructures division is engaged in the design, manufacture, construction, branding, maintenance and restyling of petrol station superstructures. The Petrol Station Branding division is engaged in the design and installation of the complete appearance of petrol stations.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Group financing (including finance costs and finance revenue) and income taxes are managed on a group basis and are not allocated to operating segments.

	Defence		Forgings		Petrol Station Superstructures		Petrol Station Branding		Total	
	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000
<b>Revenue</b>										
From external customers	26,678	21,900	15,695	14,336	15,871	12,236	19,464	19,613	77,708	68,085
From other segments	-	-	-	-	450	199	226	142	676	341
<b>Segment revenue</b>	<b>26,678</b>	<b>21,900</b>	<b>15,695</b>	<b>14,336</b>	<b>16,321</b>	<b>12,435</b>	<b>19,690</b>	<b>19,755</b>	<b>78,384</b>	<b>68,426</b>
<b>Segment result</b>	<b>2,836</b>	<b>2,600</b>	<b>(442)</b>	<b>(536)</b>	<b>2,055</b>	<b>17</b>	<b>1,745</b>	<b>2,172</b>	<b>6,194</b>	<b>4,253</b>
Past service pension costs									(1,198)	-
Net finance costs									(209)	(214)
<b>Profit before taxation</b>									<b>4,787</b>	<b>4,039</b>
Taxation									(975)	(653)
<b>Profit for the period</b>									<b>3,812</b>	<b>3,386</b>
<b>Segmental assets</b>	<b>29,942</b>	<b>40,801</b>	<b>8,988</b>	<b>5,272</b>	<b>10,787</b>	<b>8,845</b>	<b>9,291</b>	<b>10,005</b>	<b>59,008</b>	<b>64,923</b>
Unallocated assets (see below)									11,429	5,218
<b>Total assets</b>									<b>70,437</b>	<b>70,141</b>
<b>Segmental liabilities</b>	<b>19,500</b>	<b>19,329</b>	<b>6,125</b>	<b>1,978</b>	<b>4,330</b>	<b>1,970</b>	<b>2,806</b>	<b>4,402</b>	<b>32,761</b>	<b>27,679</b>
Unallocated liabilities (see below)									1,878	9,062
<b>Total liabilities</b>									<b>34,639</b>	<b>36,741</b>
Capital expenditure	67	18	406	530	196	149	118	211	787	908
Depreciation	77	154	517	480	488	628	365	365	1,447	1,627

Unallocated assets includes certain fixed assets, (including all UK properties - see note 12(e)) intangible assets, current assets and deferred tax assets. Unallocated liabilities includes the defined pension benefit scheme liability and certain current liabilities.

## Geographical analysis

The following table presents revenue and expenditure and certain assets and liabilities information by geographical segment for the periods ended 27th April, 2019 and 28th April, 2018. The Group's geographical segments are based on the location of the Group's assets. Revenue from external customers is based on the geographical location of its customers.

	United Kingdom		Europe		Americas		Rest of the World		Total	
	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000	2019 £000	2018 £000
<b>Revenue</b>										
External	30,755	24,914	33,143	25,803	9,572	7,536	4,238	9,832	77,708	68,085

Non-current assets	<b>17,637</b>	18,322	<b>3,832</b>	4,203	<b>4,596</b>	4,226	-	-	<b>26,065</b>	26,751
Current assets	<b>34,301</b>	32,724	<b>7,670</b>	8,499	<b>2,401</b>	2,167	-	-	<b>44,372</b>	43,390
Liabilities	<b>31,701</b>	32,076	<b>2,260</b>	4,256	<b>679</b>	409	-	-	<b>34,640</b>	36,741
Capital expenditure	<b>350</b>	586	<b>190</b>	216	<b>351</b>	304	-	-	<b>891</b>	1,106

### Information about major customers

Revenue from major customers arising from sales reported in the Defence segment:	<b>£000</b>	2018
Customer 1	<b>10,871</b>	-
Customer 1	-	7,137
Revenue from major customers arising from sales reported in the Petrol Station Branding segment:	<b>£000</b>	2018
Customer 1	<b>11,905</b>	-
Customer 1	-	14,761

## 2 Employee information

	2019	2018
	Number	Number
The average number of employees, including executive directors, during the period was:		
Production	<b>264</b>	251
Technical	<b>65</b>	69
Distribution	<b>27</b>	33
Administration	<b>91</b>	78
	<b>447</b>	431

(a) Staff costs	2019	2018
	£000	£000
Including executive directors, employment costs were as follows:		
Wages and salaries	<b>17,609</b>	16,029
Social Security costs	<b>1,934</b>	1,850
Other pension costs	<b>666</b>	637
	<b>20,209</b>	18,516

(b) Directors' emoluments	2019	2018
	£000	£000
Aggregate directors' emoluments	<b>1,672</b>	1,431
Post employment benefits	<b>47</b>	37
	<b>1,719</b>	1,468

## 3 Past service pension costs

	2019	2018
	£000	£000
Guaranteed minimum pension equalisation adjustment.	<b>(1,198)</b>	-
	<b>(1,198)</b>	-

## 4(a) Taxation

The charge for taxation comprises:	2019	2018
	£000	£000
<b>Current tax</b>		
United Kingdom corporation tax	<b>540</b>	-
Adjustments in respect of previous years	<b>(16)</b>	33
Foreign corporation tax	<b>635</b>	682
Group current tax	<b>1,159</b>	715

<b>Deferred tax</b>		
Origination and reversal of temporary differences	(247)	(62)
Adjustments in respect of prior years	63	-
	-	-
<b>Group deferred tax</b>	<b>(184)</b>	<b>(62)</b>
<b>Tax on profit</b>	<b>975</b>	<b>653</b>

Tax relating to items charged or credited to other comprehensive income

<b>Deferred tax</b>		
Deferred tax on measurement gains on pension scheme current year	69	146
Deferred tax on revaluation surplus on land and buildings	-	254

<b>Income tax in the statement of comprehensive income</b>	<b>69</b>	<b>400</b>
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#### (b) Factors affecting the tax charge for the year

The tax assessed for the period differs to the standard rate of corporation tax in the UK (19%) (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit before tax	4,787	4,039
Profit multiplied by standard rate of corporation tax of 19% (2018 - 19%)	910	767
Expenses not deductible for tax purposes	(102)	(288)
Adjustments in respect of overseas tax rates	120	141
Current tax adjustment in respect of prior periods	(16)	33
Deferred tax adjustment in respect of prior periods	63	-
<b>Total tax charge for the period</b>	<b>975</b>	<b>653</b>

#### (c) Factors affecting future tax charge

The UK corporation tax rate will remain at 19% until it reduces to 17% in 2020. At 27th April, 2019 the rate reductions to 17% had been enacted. Deferred tax at 27th April, 2019 has therefore been provided at 17% or at a blended rate depending on when the underlying temporary differences are expected to unwind. Deferred tax in relation to intangibles recognised on the acquisition of Petrol Sign bv has been provided at 25% being the main corporation tax rate in The Netherlands.

## 5 Earnings per share

The calculation of basic earnings per share is based on:

(a) Profit for the period attributable to equity holders of the parent of £3,812,000 (2018 - £3,386,000).

(b) 16,504,691 (2018 - 16,504,691) Ordinary shares, being the weighted average number of Ordinary shares in issue.

This represents 18,396,073 (2018 - 18,396,073) being the weighted average number of Ordinary shares in issue less 1,891,382 (2018 - less 1,891,382) being the weighted average number of shares both held within the ESOT 245,048 (2018 - 245,048) and purchased by the Company 1,646,334 (2018 - 1,646,334).

## 6 Dividends paid and proposed

	2019 £000	2018 £000
Declared and paid during the year		
On Ordinary shares		
Final dividend for 2018 : 6.50p (2017 - 6.50p)	1,073	1,073
Interim dividend for 2019 : 1.75p (2018 - 1.75p)	289	289

1,362

1,362

Proposed for approval by shareholders at the AGM  
Final dividend for 2019 : 6.50p (2018 - 6.50p)

1,073

1,073

## 7 Trade and other receivables

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade receivables	6,913	14,032	3,456	2,998
Retentions on contracts	113	568	-	22
Amounts owed by subsidiary undertakings	-	-	9,029	6,983
Other receivables	18	17	4	-
	<b>7,044</b>	14,617	<b>22,489</b>	10,003

The aggregate amount of costs incurred and recognised profits to date on contracts is £15,819,000 (2018 - £12,159,000).

(a) Trade receivables are denominated in the following currencies

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Sterling	3,674	7,160	2,751	2,194
Euro	2,141	5,961	701	812
US dollar	778	582	-	-
Other currencies	320	329	4	(8)
	<b>6,913</b>	14,032	<b>3,456</b>	2,998

Group	Total £000	Not past due £000	< 30 days £000	30-60 days £000	60-90 days £000	> 90 days £000
2019	6,913	6,245	505	148	13	2
2018	14,032	9,377	4,446	142	24	43

As at 27th April, 2019 trade receivables at a nominal value of £105,000 (2018 - £97,000) were impaired and fully provided. Bad debts of £65,000 (2018 - £15,000) were recovered and bad debts of £52,000 (2018 - £28,000) were incurred.

Company	Total £000	Not past due £000	< 30 days £000	30-60 days £000	60-90 days £000	> 90 days £000
2019	2,764	2,649	40	81	-	(6)
2018	2,998	2,172	808	17	-	1

As at 27th April, 2019 trade receivables at a nominal value of £51,000 (2018 - £32,000) were impaired and fully provided. Bad debts of £20,000 (2018 - £11,000) were recovered and bad debts of £39,000 (2018 - £6,000) were incurred.

(b) Retentions on contracts are denominated in the following currencies

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Sterling	113	568	-	22
Euro	-	-	-	-
US dollar	-	-	-	-
Other currencies	-	-	-	-
	<b>113</b>	568	-	22

Retentions on contracts are non interest bearing and represent amounts contractually retained by customers on completion of contracts for specific time periods as follows:

<b>Group</b>	Total	Up to 6 months	6 - 12 months	12 - 18 months	18 - 24 months
	£000	£000	£000	£000	£000
<b>2019</b>	<b>113</b>	<b>93</b>	<b>20</b>	-	-
2018	568	546	22	-	-
<b>Company</b>					
<b>2019</b>	-	-	-	-	-
2018	22	-	22	-	-

## 8 Cash and cash equivalents/bank overdraft

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	2018	<b>2019</b>	2018
	<b>£000</b>	£000	<b>£000</b>	£000
Cash at bank and in hand	<b>17,151</b>	7,504	-	-
Short term deposits	<b>5,735</b>	8,362	-	-
Bank overdraft	-	-	<b>(582)</b>	(342)
	<b>22,886</b>	15,866	<b>(582)</b>	(342)

## Reserves

### Share Capital

The balance classified as share capital includes the nominal value on issue of the Company's equity share capital, comprising 10p Ordinary shares.

### Capital redemption reserve

The balance classified as capital redemption reserve represents the nominal value of issued share capital of the Company, repurchased.

### Other reserves - Company

Following the transfer of assets held at valuation by the Company, to a subsidiary company, a reserve has been created which is non distributable. This is equal to the revaluation reserve previously arising.

Additionally, it includes the non-distributable retained reserve for the revaluation reserve previously showing in the company for properties now transferred to other members of the Group.

### Revaluation reserve

The asset revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same assets previously recognised in equity. This also includes the impact of the change in the prior year for the related deferred tax due to the change in corporation tax (18% to 17%).

### Share premium account

The balance classified as special reserve represents the share premium on the issue of the Company's equity share capital.

### Currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

### Treasury Shares

	<b>2019</b>	2018
	<b>£000</b>	£000
Employee Share Ownership Trust	<b>100</b>	100
Shares in treasury	<b>2,959</b>	2,959
	<b>3,059</b>	3,059

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The preliminary announcement is prepared on the same basis as set out in the previous year's accounts apart from the adoption of new accounting standards IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers'.

The Directors confirm to the best of their knowledge that:

(a) the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and the undertakings included in the consolidation taken as a whole; and

(b) the Chairman's Statement includes a fair review of the development and performance of the business and the position of the group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The preliminary announcement was approved by the Board on 5th June, 2019 and the above responsibility statement was signed on its behalf by Michael Bell, Executive Chairman and Michael O'Connell, Group Finance Director.

Copies of this announcement are available from the Company's registered office at MS INTERNATIONAL plc, Balby Carr Bank, Doncaster, DN4 8DH, England. The full Annual Report and Accounts which will include the Notice of AGM, will be posted to shareholders shortly and will be available on our website at [www.msiplc.com](http://www.msiplc.com) and will be delivered to the Registrar of Companies after it has been laid before the Company in general meeting.