

## DJ MECP Half-yearly Report

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MECHAN CONTROLS PLC

UNAUDITED INTERIM STATEMENT FOR THE SIX MONTHS

ENDED 30 JUNE 2014

CHAIRMAN'S REPORT

The Directors of Mechan Controls plc are very pleased to announce the group's financial results for the 6 months trading period ending 30th June 2014.

The Group's turnover compared to the same period last year is up by 3.6% from GBP1,813,367 in 2013. Group 'after tax' profits are almost treble at GBP205,914 compared to GBP71,406. An increase of 188%.

The impressive increase in profit is due to a number of factors. The main one being that the problems in the UK coal industry which effected our subsidiary company PJO in 2013, are now largely behind us. These problems consisted of UK Coal going into liquidation leaving us with a large bad debt and the collapse in the market for mining supplies. After a savage programme of draconian cost cutting at PJO the company, is now profitable. Adding to this, Mechan operations are 60% ahead on last years profits for the same period and our subsidiary Nirvana Ltd is 20% ahead.

The second half of the year should continue the trend. We are especially pleased to announce a break through by PJO into the Russian mining industry with the first international sale of our GBP100,000 V5 drilling machine, which was delivered in August. The V5 machine is destined for a coal mine in Verkuta City in Northern Siberia. The company Severstal has, we understand, many such sites in the area. We are optimistic that this could be the start of a future pipeline of business with Russia.

The full year should see Mechan Controls Group reach record profits. We are confident that the business will continue to grow organically and resume its historical 'year on year' growth pattern.

In the light of this, the Directors' are pleased to announce an increase in the interim dividend of 50%, from 0.625 pence per share to 0.938 pence per share.

The Directors accept responsibility for this report.

Wilf BoardmanChairmanMechan Controls plc14 Seddon PlaceStanley Industrial  
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MECHAN CONTROLS PLC

GROUP PROFIT AND LOSS ACCOUNT

FOR THE SIX MONTHS ENDED 30th JUNE 2014

ended	Unaudited Accounts forthe six months ended	Unaudited Accounts forthe six months
	30 JUNE	30 JUNE
	2014	2013
	GBP	GBP
TURNOVER	1,879,026	1,813,367
Cost of sales	966,080	941,672
GROSS PROFIT	912,946	871,695
Distribution costs	84,458	142,973
Administrative expenses	547,917	609,527
Other operating income	(450)	(1,450)
OPERATING PROFIT	281,021	120,645
Interest receivable	2,340	47
Interest payable and similar charges	(4,941)	(13,265)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	278,420	107,427
Tax on profit on ordinary activities	72,506	36,021
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	205,914	71,406
Dividends	(25,200)	25,047
RETAINED PROFIT FOR THE FINANCIAL YEAR	180,714	46,332
EARNINGS PER SHARE	10.3p	3.6p

MECHAN CONTROLS PLC

GROUP BALANCE SHEET

FOR THE SIX MONTHS ENDED 30th JUNE 2014

Unaudited Accounts for the six months ended 30 JUNE 2013	GBP	Unaudited Accounts for the six months ended 30 JUNE 2014	GBP
GBP			
FIXED ASSETS			
Intangible assets			
1,405,497		1,532,998	
Tangible assets			
182,264		194,221	
-			
		1,587,761	
1,727,719			
CURRENT ASSETS			
Stocks	522,968		
484,323			
Debtors	830,822		
865,908			
Cash at Bank	363,598		
117,647			
	1,717,388		
1,467,878			
CREDITORS: Amounts falling	690,002		
766,423			
due within one year			
NET CURRENT LIABILITIES			
1,027,386		701,455	
-			
TOTAL ASSETS LESS CURRENT			
2,615,147		2,428,674	
LIABILITIES			
CREDITORS: Amounts falling due			
-		(136,885)	
after more than one year			
PROVISION FOR LIABILITIES			
Deferred Taxation			
(25,820)		(27,631)	
-			
		2,589,327	
2,264,158			
=====		=====	
CAPITAL AND RESERVES			
Called-up equity Share Capital			
50,000		50,000	
Share premium account			
653,000		653,000	
Profit and Loss Account			
1,886,327		1,561,158	
-			
SHAREHOLDERS' FUND			
2,589,327		2,264,158	
=====		=====	

NOTES TO THE FINANCIAL STATEMENTS

## 1 FINANCIAL INFORMATION

The interim results for the six months ended 30 June 2014 are unaudited and do not constitute accounts within the meaning of section 434 of the Companies Act 2006. The interim results have been drawn up using accounting policies and presentation consistent with those applied in the audited accounts for the year ended 31 December 2013. The comparative information contained in this report for the period ended 30 June 2014 does not constitute statutory accounts for that financial period.

## 2 DIVIDENDS

The directors have recommend payment of an interim dividend of GBP18,760 payable on the 22nd September 2014

## 3 COPIES OF UNAUDITED INTERIM REPORTS

Copies of this report are available to the public from the registered office at 14/16 Seddon Place, Stanley Industrial Estate, Skelmersdale, WN8 8EB.

## 4 RESPONSIBILITY

The directors of the Company accept responsibility for the information contained in this document and to the best of their knowledge and belief (having taken such care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This information is provided by Business Wire

(END) Dow Jones Newswires

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