

REGISTERED NUMBER: 00026077 (England and Wales)

Report of the Directors and  
Financial Statements for the Period 29 December 2013 to 27 December 2014  
for  
Delta Limited

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Delta Limited (Registered number: 00026077)

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for the Period 29 December 2013 to 27 December 2014

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Delta Limited

Company Information

for the Period 29 December 2013 to 27 December 2014

**DIRECTORS:**

T G Atkinson  
M C Jaksich  
R A Massey  
J A Taylor  
E R Meaney  
T J McClain  
G S Lebens

**SECRETARY:**

David Venus & Company LLP

**REGISTERED OFFICE:**

42-50 Hersham Road  
Walton-on-Thames  
Surrey  
KT12 1RZ

**REGISTERED NUMBER:**

00026077 (England and Wales)

**AUDITOR:**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Nottingham  
NG1 3FG

Report of the Directors  
for the Period 29 December 2013 to 27 December 2014

The directors present their report with the financial statements of the company for the period 29 December 2013 to 27 December 2014. The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The 2014 results have been prepared for the period 29 December 2013 to 27 December 2014. The 2013 results have been prepared for the period 30 December 2012 to 28 December 2013. The year-end date for the company has changed to 27 December 2014. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc, (Valmont), its parent.

The Company's financial statements solely reflect the trading performance and assets of the Company and not of the Company's subsidiaries. As such reported profit includes only investment income less expenses incurred by the Company.

#### **PRINCIPAL ACTIVITY**

The Company owns businesses in Africa and Europe. The European business holds assets that ultimately achieve a return from the Australasian, Asian and US businesses it used to indirectly own. These businesses are engaged in the manufacture and distribution of engineered steel products; the provision of hot-dip galvanising and zinc reclamation services; and the manufacture and distribution of manganese materials.

#### **REVIEW OF BUSINESS**

The Group's subsidiary businesses continued to generate profit and as at 27 December 2014, the Company had received dividends and interest from those subsidiaries. As disclosed in the exceptional item below, the group conducted a restructuring exercise during current and preceding years. The financial impact of that is disclosed in that note.

The Company's administration costs totalled £14.2 million during the year, compared to £1.0 million in the previous year, of which £13.4m represented foreign exchange losses.

There are a number of potential risks and uncertainties which could impact the Company's financial position and performance principally due to their potential impact on the Company's subsidiary businesses.

#### **Global, Political and Economic conditions**

The Company owns businesses in four countries and has either sales or sourcing arrangements with various counterparties located within other countries within Asia, Africa and South America. Whilst the Company benefits from the growth opportunities in these continents, it is similarly exposed to the economic, political and business risks associated with such international operations. Throughout its investments the Company encounters different legal and regulatory requirements including those for taxation, exchange control (including repatriation of profits), environmental, operational and competitive matters.

#### **Pensions**

The Company sponsors a UK defined benefit plan, The Delta Pension Plan ("the Plan"). The Plan had an FRS 17 valuation net deficit of £96.5 million at 27 December 2014 (2013: deficit of £93.8 million), with the Plan's assets totalling £348.5 million and its liabilities totalling £445.0 million (2013: assets of £302.0 million and liabilities of £395.8 million). The Plan is exposed to the risk of changes in interest rates, investment returns, the market value of investments, inflation and changes in the expected longevity of its members. The Plan is also exposed to changes in UK laws and regulations with regard to pension plans.

#### **Foreign exchange**

The Company is exposed to movements in exchange rates between sterling and other world currencies particularly the South African rand and the US and Australian dollar, which could adversely or positively impact the value of the Company's investments.

#### **DIVIDENDS**

The Company paid a dividend of 9.8p per ordinary share on 24 June 2014.

The directors have declared a second interim dividend for 2014 of 7.8p per share on 17 July 2015. In accordance with FRS 21, this has not been included as a liability in these financial statements.

The Directors have not recommended a final dividend for 2014.

#### **EVENTS SINCE THE END OF THE PERIOD**

Information relating to events since the end of the period is given in the notes to the financial statements.

Report of the Directors  
for the Period 29 December 2013 to 27 December 2014

**DIRECTORS**

The directors shown below have held office during the whole of the period from 29 December 2013 to the date of this report.

T G Atkinson  
M C Jaksich  
R A Massey  
J A Taylor  
E R Meaney  
T J McClain  
G S Lebens

**Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

**FINANCIAL INSTRUMENTS**

The Company has taken out financial instruments to manage its exposure to foreign exchange movements on loans granted by Delta Limited, where the loan is not in Delta Limited's functional currency (pound sterling).

**GOING CONCERN**

The directors have acknowledged the latest guidance on going concern. The Company has net cash balances of £27.8 million at 27 December 2014, and the Company's subsidiary businesses continue to trade profitably and hold substantial cash balances. The dividends expected from the Company's subsidiary companies, together with the Company's existing cash balances and the value of the Company's investments, are expected to be sufficient to fulfil the Company's foreseeable obligations to the Delta Pension Plan. Consequently, after making enquiries and considering known future uncertainties, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

**EXCEPTIONAL ITEMS**

During the current and preceding year, Delta Limited and a number of its subsidiary companies undertook a restructuring exercise. This involved a simplification of the capital structure of most of the subsidiary companies involved and a distribution by way of dividend of loan notes (this year) and excess net assets (last year) held in those subsidiaries.

This restructuring exercise led to £315 million (2013: £426 million) of additional dividends being received by Delta Limited and also a permanent diminution in value of fixed asset investments of £314 million (2013: £399 million) being recognised through the profit and loss account.

The majority of dividends were received by way of loan notes in the current year and settlement of the intercompany loan payable to the individual entities concerned in the preceding year.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 elected to prepare the 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 Company and of the profit or loss of the Company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Delta Limited (Registered number: 00026077)

Report of the Directors

for the Period 29 December 2013 to 27 December 2014

**STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

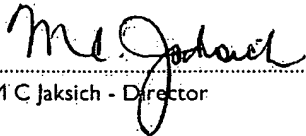
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITOR**

The auditor, Deloitte LLP, has indicated their willingness to continue in office.

**ON BEHALF OF THE BOARD:**



M'C Jaksich - Director

Date: September 25, 2015

Independent Auditor's Report to the Members of  
Delta Limited

We have audited the financial statements of Delta Limited for the period ended 28 December 2013 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities set out on pages three and four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 27 December 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

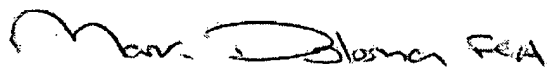
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Mark Doleman (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Nottingham, United Kingdom

Date: 29 September 2015

Delta Limited (Registered number: 00026077)

**Profit and Loss Account**

for the Period 29 December 2013 to 27 December 2014

	Notes	Period 29.12.13 to 27.12.14		Period 30.12.12 to 28.12.13	
		£'000	£'000	£'000	£'000
<b>TURNOVER</b>					
Administrative expenses			(14,839)		(974)
<b>OPERATING LOSS</b>	3		(14,839)		(974)
Income from shares in group undertakings	5	315,110		467,498	
Expected return on defined benefit assets	19	15,800		12,700	
Interest receivable and similar income	6	26,215		87	
			357,125		480,285
			342,286		479,311
Amounts written off investments	7		(313,990)		(398,969)
			28,296		80,342
Interest payable and similar charges	8	(2)		-	
Expected interest on defined benefit liabilities	19	(17,400)		(16,900)	
			(17,402)		(16,900)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			10,894		63,442
Tax on profit on ordinary activities	9		(2,614)		-
<b>PROFIT FOR THE FINANCIAL PERIOD</b>			8,280		63,442

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period or previous period.



Delta Limited (Registered number: 00026077)

Statement of Total Recognised Gains and Losses  
for the Period 29 December 2013 to 27 December 2014

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	8,280	63,442
Revaluation surplus/(deficit) on investments	-	(114,278)
Actuarial loss on defined benefit scheme	(12,127)	(31,600)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD</b>	<u>(3,847)</u>	<u>(82,436)</u>

Delta Limited (Registered number: 00026077)

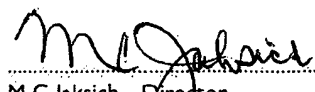
Balance Sheet

27 December 2014

	Notes	27.12.14 £'000	28.12.13 £'000
<b>FIXED ASSETS</b>			
Investments	11	346,751	359,049
<b>CURRENT ASSETS</b>			
Debtors	12	14,965	322
Cash at bank	13	<u>27,766</u>	<u>44,887</u>
		42,731	45,209
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(1,759)</u>	<u>(334)</u>
<b>NET CURRENT ASSETS</b>		<u>40,972</u>	<u>44,875</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		387,723	403,924
<b>CREDITORS</b>			
Amounts falling due after more than one year 15		(1,888)	(1,992)
<b>PENSION LIABILITY</b>	19	<u>(96,500)</u>	<u>(93,750)</u>
<b>NET ASSETS</b>		<u>289,335</u>	<u>308,182</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	38,441	38,441
Share premium	18	33,998	33,998
Revaluation reserve	18	-	132,585
Capital contribution reserve	18	2,893	2,893
Profit and loss account	18	<u>214,003</u>	<u>100,265</u>
<b>SHAREHOLDERS' FUNDS</b>	22	<u>289,335</u>	<u>308,182</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on September 25, 2015 and were signed on its behalf by:

  
M C Jaksich - Director

Notes to the Financial Statements  
for the Period 29 December 2013 to 27 December 2014

**I. ACCOUNTING POLICIES**

**Going concern**

In preparing the financial statements, the directors have adopted a basis of a going concern basis as explained in the directors' report.

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, in accordance with UK generally accepted accounting principles.

The 2014 results have been prepared for the period 29 December 2013 to 27 December 2014. The 2013 results have been prepared for the period 30 December 2012 to 28 December 2013. The year-end date for the company has changed to 27 December 2014. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc. (Valmont), its parent.

The directors have taken advantage of the exemption from producing a cash flow statement under FRS 1 as it is a subsidiary undertaking of Valmont, where 100% of the voting rights are controlled within the group, and the consolidated financial statements of Valmont are publicly available. See note 20, for further details of this ultimate parent undertaking.

The directors have taken advantage of the exemption offered under FRS 8 not to disclose related party transactions when the transaction is between companies in the same group.

**Preparation of consolidated financial statements**

The financial statements contain information about Delta Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Valmont Industries, Inc, a company registered in the US.

**Foreign currencies**

Foreign currency transactions are translated into sterling using exchange rates prevailing at the dates of the transactions. Exchange differences resulting from the settlement of such transactions and from the translation at exchange rates ruling at the statement of financial position date of monetary assets and liabilities denominated in currencies other than sterling are recognised in the profit and loss account.

**Financial Instruments**

The Company uses derivative financial instruments to manage its exposure to fluctuations in foreign exchange rates. The derivative financial instruments used are forward foreign exchange contracts. The Company does not hold derivatives for trading or speculative purposes.

**Pension costs and other post-retirement benefits**

The Company operates a defined benefit pension plan.

A defined benefit pension plan is one that specifies the amount of pension benefit that an employee will receive on retirement. The Company operates a funded defined benefit pension plan, where actuarially-determined payments are made to trustee-administered funds.

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method and is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The Company accounts for actuarial gains and losses in full through the statement of recognised income and expense in the year in which they occur. Where the actuarial valuation of the plan demonstrates that the plan is in surplus, the recognisable asset is limited to that from which the Company can benefit in the future.

The current service cost is included in distribution costs and administrative expenses in the profit and loss account. Past service costs, if any, are similarly included where the benefits have vested, otherwise they are amortised on a straight-line basis over the vesting period. Gains and losses on settlements and curtailments are taken to the statement of total recognised gains and losses.

The expected return on assets of funded defined benefit pension plans is recorded in investment income in the profit and loss account. The expected interest on pension plan liabilities is recorded in finance costs in the profit and loss account.

**I. ACCOUNTING POLICIES - continued**

**Investments in subsidiary undertakings**

The Company accounts for its investments in subsidiary undertakings by the equity method, whereby the original cost of the investments is adjusted for the movement in underlying net assets applicable to the investments since their date of acquisition with an adjustment to the Company's revaluation reserve, except where any diminution in the value of the investment is considered permanent. In such cases the permanent diminution is recorded as a reduction in the Company's profit and loss account.

**Impairment of assets**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is determined for an individual asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The present value of estimated future cash flows is calculated using discount rates reflecting the risks specific to that asset and the current market assessment of the time value of money for the value in use calculation. Impairments are recognised in the profit and loss account.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

**Loans to group undertakings**

The Company recognises loans to group undertakings when the transfer of substantial risks and rewards of ownership is made. Where the loans are denominated in foreign currencies, the assets are initially measured at the spot rate on the transfer date. The loan balance is then revalued at the year end spot rate and the foreign exchange difference is recorded in the profit and loss account.

**Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**Provisions**

Provisions are recognised when a present obligation (legal or constructive) exists in respect of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and where the amount can be reliably estimated by the directors. Where the impact is material, provisions are discounted to present value.

## 1. ACCOUNTING POLICIES - continued

### Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies which are described above, management has made various judgements that potentially have a significant effect on the amounts recognised in the financial statements. These judgements relate primarily to the following items:

### Pensions (see note 19)

The obligation in respect of the Company's retirement benefit obligations is dependent on a number of estimates including those relating to mortality, inflation, salary increases and the rate at which liabilities are discounted. Any change in these assumptions would impact the retirement benefit obligation recognised.

### Carrying amount of certain assets

In reviewing the carrying value of certain assets, estimates of future financial performance of the assets and businesses concerned are taken into account. The estimates inherently include assumptions of internal and external factors that, whilst considered reasonable at the date of these accounts, may change in the future from those levels currently expected.

### Deferred tax assets

Deferred tax assets have not been recognised since the directors hold the view that it is improbable that the Company will be able to utilise them in the future, given the lack of operations and so potential taxable income in the UK.

## 2. DIRECTORS' REMUNERATION AND TRANSACTIONS

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Emoluments	-	-

### Directors' transactions

There were no transactions with directors during the year.

## 3. OPERATING LOSS

The operating loss is stated after charging:

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Auditor's remuneration – company	39	39
Auditor's remuneration – subsidiary entities*	18	58
Foreign exchange differences	14,010	123

\*Auditor's remuneration for subsidiary entities was not paid to Deloitte LLP.

### Staff costs

The Company had no employees during the year (2013: none).

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**4. EXCEPTIONAL ITEMS**

During the current and preceding year, Delta Limited and a number of its subsidiary companies undertook a restructuring exercise. This involved a simplification of the capital structure of most of the subsidiary companies involved and a distribution by way of dividend of loan notes (this year) and excess net assets (last year) held in those subsidiaries.

This restructuring exercise lead to £315 million (2013: £426 million) of additional dividends being received by Delta Limited and also a permanent diminution in value of fixed asset investments of £314 million (2013: £399 million) being recognised through the profit and loss account.

The majority of dividends were received by way of loan notes in the current year and settlement of the intercompany loan payable to the individual entities concerned in the preceding year.

**5. INCOME FROM SHARES IN GROUP UNDERTAKINGS**

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Income from shares in group undertakings	<u>315,110</u>	<u>467,498</u>

**6. INTEREST RECEIVABLE AND SIMILAR INCOME**

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Other interest received	74	87
Interest receivable from group undertakings	<u>26,141</u>	<u>-</u>
	<u>26,215</u>	<u>87</u>

**7. AMOUNTS WRITTEN OFF INVESTMENTS**

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Provision for diminution in value of fixed asset investments	<u>313,990</u>	<u>398,969</u>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Other interest paid	<u>2</u>	<u>-</u>

**9. TAXATION****Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the period was as follows:

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Current tax:		
Foreign tax	<u>2,614</u>	<u>-</u>
Tax on profit on ordinary activities	<u>2,614</u>	<u>-</u>

**Factors affecting the tax charge**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Profit on ordinary activities before tax	<u>10,894</u>	<u>63,442</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.511% (2013 - 23.250%)	2,343	14,750
Effects of:		
Tax effect of overseas dividends not assessable for tax	(67,783)	(108,693)
Short-term timing differences	(2,451)	(1,709)
Expenses not deductible	66,913	92,759
Tax effect of transfer pricing adjustments	(2)	(748)
Tax effect of group relief surrendered	5	3,641
Tax effect of unrelieved current losses	975	-
Foreign tax not recoverable under double taxation relief	<u>2,614</u>	<u>-</u>
Current tax charge	<u>2,614</u>	<u>-</u>

The rate of current tax used in the reconciliation above is 21.511%. This is a blended rate used to reflect the rate of tax falling from 23% to 21% partway through the period.

**10. DIVIDENDS**

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000
Ordinary shares of 25p each		
Interim	<u>15,000</u>	<u>13,000</u>

The directors have declared a further interim dividend for 2014 of 7.8p per share on 17 July 2015. In accordance with FRS 21, this has not been included as a liability in these financial statements.

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

11. FIXED ASSET INVESTMENTS

	27.12.14	28.12.13
	£'000	£'000
Shares in group undertakings	45,058	359,049
Loans to group undertakings	301,692	-
	<u>346,750</u>	<u>359,049</u>

Additional information is as follows:

**COST**

At 29 December 2013	1,018,701
Revaluation adjustment	<u>(144,910)</u>
At 27 December 2014	<u>873,791</u>

**PROVISIONS**

At 29 December 2013	659,652
Provision for period	313,990
Revaluation adjustment	<u>(144,910)</u>
At 27 December 2014	<u>828,732</u>

**NET BOOK VALUE**

At 27 December 2014	<u>45,059</u>
At 28 December 2013	<u>359,049</u>

- (i) The net book value of shares is equivalent to the Company's share of the issued share capital and reserves of the subsidiary companies.  
(ii) The cost of shares in subsidiary companies is £873,791,477 (2013: £873,791,477).

	Loans to group undertakings £'000
New in year	315,111
Other movement	<u>(13,419)</u>
At 27 December 2014	<u>301,692</u>

The loans to group undertakings are represented by loan notes that are repayable in 2042 and attract interest at a rate of 8.4% per annum.

The Company has investments in the following principal subsidiary undertakings:

Country of Incorporation	Company	% interest	Principal activity
Philippines	Industrial Galvanizers Corporation of the Philippine Inc	100%	Galvanizing services
United Kingdom	Valmont EMD Holdings Limited	100%	Investment holding company
Netherlands	Delta Electrical and Engineering Holdings BV ("DEEH")	100%	Investment holding company



Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**11. FIXED ASSET INVESTMENTS - continued**

Delta Limited's interests in electrolytic manganese dioxide are held indirectly through Valmont EMD Holdings Ltd which holds a 49.1% investment in the Delta EMD Group listed on the Johannesburg Stock Exchange.

The holdings in Australasian, American and South East Asian subsidiaries held indirectly via DEEH were replaced by loan notes in that entity. Those loan notes are now held directly by Delta Ltd following a distribution during the year.

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	27.12.14	28.12.13
	£'000	£'000
Amounts owed by group undertakings	14,741	65
Other debtors	224	257
	<u>14,965</u>	<u>322</u>

**Deferred tax not recognised:**

	27.12.14	28.12.13
	£'000	£'000
Tax losses	(21,746)	(20,841)
Retirement benefit obligations	(19,300)	(18,750)
	<u>(41,046)</u>	<u>(39,591)</u>

Deferred tax assets have not been recognised because the directors believe it is still uncertain that the company will generate taxable profits in the foreseeable future, so will be unable to utilise the deferred tax assets.

**13. CASH AT BANK**

Cash as at 27 December 2014 includes money market funds of £20,596,136 (2013: £20,532,972) and other bank balances of £7,169,818 (2013: £24,353,895).

Included in other bank balances as at 27 December 2014 £62,082 (2013: £69,576) are amounts held specifically for the settlement of unpaid dividends previously declared by Delta Limited. Due to the slow release of these funds, this amount should be considered as non-current assets.

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	27.12.14	28.12.13
	£'000	£'000
Trade creditors	48	30
Other tax creditor	1,465	-
Other creditors	246	304
	<u>1,759</u>	<u>334</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	27.12.14	28.12.13
	£'000	£'000
Amounts owed to group undertakings	<u>1,888</u>	<u>1,992</u>

These amounts are interest free and repayable on demand, however this is at the discretion of the directors of Delta Limited. There are no current plans to repay these loans within one year.

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**16. FINANCIAL INSTRUMENTS**

The Company has taken out financial instruments to manage its exposure to foreign exchange movements on loans granted by Delta Limited, where the loan is not in Delta Limited's functional currency (pound sterling).

At the year end date, the fair value of the forward foreign exchange contract was £591,018 and this contract was completed on 5 January 2015.

Fair value of foreign exchange contracts is calculated by marking each contract to market at appropriate spot or forward exchange rates prevailing at the balance sheet date.

**17. CALLED UP SHARE CAPITAL**

Ordinary shares	31.12.11 £'000	25.12.10 £'000
Authorised 188,000,000 ordinary shares of 25p each	<u>47,000</u>	<u>47,000</u>
Issued and fully paid 153,763,755 ordinary shares of 25p each	<u>38,441</u>	<u>38,441</u>

The Company has one class of ordinary share. There has been no change in the number of issued shares during the year.

**18. RESERVES**

	Profit and loss account £'000	Share premium £'000	Revaluation reserve £'000	Capital contribution reserve £'000	Totals £'000
At 29 December 2013	100,265	33,998	132,585	2,893	269,741
Profit for the period	8,280	-	-	-	8,280
Dividends	(15,000)	-	-	-	(15,000)
Reserve transfer	132,585	-	(132,585)	-	-
Actuarial losses	<u>(12,127)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,127)</u>
At 27 December 2014	<u>214,003</u>	<u>33,998</u>	<u>-</u>	<u>2,893</u>	<u>250,894</u>
Profit and loss account excluding pension liability	310,503				
Pension deficit	<u>(96,500)</u>				
Profit and loss account	<u>214,003</u>				

19. **EMPLOYEE BENEFIT OBLIGATIONS**

**Defined benefit scheme**

The company operates a funded defined benefit scheme for qualifying employees in the United Kingdom via the Delta Pension Plan (DPP). Under the DPP, participants are entitled to pension retirement benefits of 1.67% of final salary per year of service on attainment of a retirement age of 65 years.

The company has opted to recognise all actuarial gains and losses immediately via the statement of total recognised gains and losses.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Present value of funded obligations	(445,000)	(395,800)
Fair value of plan assets	<u>348,500</u>	<u>302,050</u>
	(96,500)	(93,750)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(96,500)</u>	<u>(93,750)</u>
Net liability	<u>(96,500)</u>	<u>(93,750)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Current service cost	-	-
Interest cost	17,400	16,900
Expected return	(15,800)	(12,700)
Past service cost	<u>-</u>	<u>-</u>
	<u>1,600</u>	<u>4,200</u>
Actual return on plan assets	<u>44,273</u>	<u>4,900</u>

Current service cost and losses on settlements are included in administrative expenses.

Following completion of the triennial valuation at 31 March 2012 employer funding contributions have been set at £10 million per annum in accordance with the Plan's 10-year recovery plan, along with a contribution to cover the administrative costs of the Plan of approximately £1.0 million per annum.

19. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

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

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Opening defined benefit obligation	395,800	370,800
Interest cost	17,400	16,900
Actuarial losses	40,600	23,800
Benefits paid	(8,800)	(7,400)
Settlements	-	(8,300)
	<u>445,000</u>	<u>395,800</u>

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

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Opening fair value of scheme assets	302,050	301,300
Contributions by employer	10,977	11,550
Expected return	15,800	12,700
Actuarial gains/(losses)	28,473	(7,800)
Benefits paid	(8,800)	(7,400)
Settlements	-	(8,300)
	<u>348,500</u>	<u>302,050</u>

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Actuarial losses	(12,127)	(31,600)
	<u>(12,127)</u>	<u>(31,600)</u>
Cumulative amount of actuarial losses	<u>(91,311)</u>	<u>(79,184)</u>

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**19. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	27.12.14	28.12.13
	£'000	£'000
Equity instruments	113,500	85,600
Debt instruments	156,200	169,300
Cash	7,600	6,550
Diversified growth funds	71,200	40,600
	<u>348,500</u>	<u>302,050</u>

**Details of valuation assumptions for the purposes of this Annual Report**

The most recent actuarial valuation of the DPP's assets and liabilities for financial reporting purposes was performed as at 27 December 2014 by independent actuaries AON Hewitt Limited. The projected unit credit method was used for valuation purposes. The projected unit credit method is an accrued benefits valuation method.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	27.12.14	28.12.13
Discount rate	3.65%	4.45%
Inflation rate (RPI)	3.20%	3.60%
Expected return on equity instruments	7.00%	7.00%
Expected return on debt instruments	2.80%	3.90%
Expected return on cash	2.10%	3.10%
Future pension increases	3.00%	3.40%
Expected return on DGFs	7.00%	7.00%

Mortality assumptions:	95%/90% of SINxA with future improvements in line with CMI 2010 projections applied from 2002 with a long-term rate of 1.25%	95%/90% of SINxA with future improvements in line with CMI 2010 projections applied from 2002 with a long-term rate of 1.25%
Expected future lifetimes from age 65		
- Males aged 45	24.9 years	24.9 years
- Females aged 45	27.8 years	27.7 years
- Males aged 65	23.1 years	23.0 years
- Females aged 65	25.9 years	25.8 years

The expected return on DPP assets is a blended average of projected long-term returns for the various asset classes. Asset class returns are based on a forward-looking building block approach. Equity returns are developed based on the selection of an equity risk premium above the risk-free rate which is measured in accordance with yields on government bonds. Bond returns are selected by reference to the yields on government and corporate debt as appropriate to the DPP holdings of these instruments.

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**19. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The estimated sensitivities regarding the principal assumptions used to measure the scheme liabilities as above are set out as follows:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 10%
Inflation rate	Increase/decrease by 0.5%	Increase/decrease by 6%
Rate of mortality	Increase by 1 year	Increase by 3%

The expected rates of return on each of the scheme assets are disclosed in the valuation assumptions section above. The DPP assets do not include any of the Company's own financial instruments, nor any property occupied by, or other assets used by, the Company.

Amounts for the current and previous four periods are as follows:

	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000	Period 1.1.12 to 29.12.12 £'000	Period 26.12.10 to 31.12.11 £'000	Period 1.1.10 to 25.12.10 £'000
<b>Defined benefit pension plans</b>					
Defined benefit obligation	(445,000)	(395,800)	(370,800)	(319,300)	(294,401)
Fair value of scheme assets	348,500	302,050	301,300	275,200	232,940
Deficit	(96,500)	(93,750)	(69,500)	(44,100)	(61,461)
Experience adjustments on scheme liabilities	40,600	23,800	44,100	16,100	(5,100)
Experience adjustments on scheme assets	28,450	(7,800)	14,000	29,500	1,000

**Additional information with respect to the DPP**

**Triennial valuation**

The next triennial valuation for the DPP was due as at 31 March 2015. At the last valuation, as of 31 March 2012, the DPP's assets totalled £280.5 million and its liabilities totalled £376.4 million, resulting in a net deficit of £95.9 million. The following assumptions were employed: discount rate 4.55%; annual pension increases: from 3.2% to 3.5%; cash commutation: 25%; and price inflation: 3.35%. Mortality tables used were 95% (m) / 90% (f) of the standard SAPS tables with CMI2010 1.25% long term improvements from 2002, for both pensioner and non-pensioner members.

**Analysis of scheme assets**

The scheme assets of the Delta Pension Plan at 27 December 2014 may be further analysed as follows:

	2014 £'000
UK index tracking equity instruments	8,400
Non UK index tracking equity instruments	104,700
Overseas equities	400
<b>Total equity instruments</b>	<b>113,500</b>
UK corporate bonds	69,300
UK government bonds - index linked	86,900
<b>Total debt instruments and insured policies</b>	<b>156,200</b>
Diversified growth funds	71,200
Property	Nil
Cash	7,600
	<b>348,500</b>

Notes to the Financial Statements - continued  
for the Period 29 December 2013 to 27 December 2014

**19. EMPLOYEE BENEFIT OBLIGATIONS – continued**

**Additional information with respect to the DPP - continued**

Of the above table's asset values, 78.8 % is managed by Legal & General Investment Management, 12.4% is managed by Schroders, 8.0% is managed by Fulcrum, 0.1% is managed by Morgan Stanley, 0.7% is held as cash in the trustee's bank account and less than 0.1% by Blackrock Investment Management (UK) Ltd, a total of 100%. The Trustee receives advice regarding investment strategy and asset allocation from Towers Watson.

In the following tables, 'M' denotes Male, 'F' denotes Female, and 'T' denotes Total. 'Current' denotes participants in current employment with the Company's UK businesses. 'Deferred' denotes participants who have departed the Company's UK businesses, however are not yet drawing a pension. 'Pensioners' are those in receipt of a pension.

The number of plan participants as at 27 December 2014 for the years below was as follows:

Number of participants	Current	Deferred	Pensioners	Total
31 December 2008	57	7,114	197	7,368
31 December 2009	7	6,694	507	7,208
25 December 2010	6	6,402	706	7,114
31 December 2011	-	6,018	950	6,968
29 December 2012	-	5,481	1,178	6,659
28 December 2013	-	5,017	1,355	6,372
27 December 2014	-	4,708	1,545	6,253

The 6,253 plan participants at 27 December 2014 may be analysed as follows:

	Current			Deferred			Pensioners			Total		
Age	F	T	M	F	T	M	F	T	M	F	T	
25-34	-	-	18	3	21	3	2	5	21	5	26	
35-44	-	-	408	213	621	-	1	1	408	214	622	
45-54	-	-	1,359	604	1,963	5	16	21	1,364	620	1,984	
55-64	-	-	1,440	332	1,772	277	298	575	1,717	630	2,347	
65-74	-	-	201	10	211	781	144	925	982	154	1,136	
75-84	-	-	108	4	112	9	6	15	117	10	127	
85+	-	-	8	-	8	1	2	3	9	2	11	
Total	-	-	3,542	1,166	4,708	1,076	469	1,545	4,618	1,635	6,253	

The liabilities of the Delta Pension Plan as at 27 December 2014 pertained to the participant population as follows (estimate based on 31 March 2012 valuation):

Age	Current	Deferred	Pensioners	Total
25-34	-	1.1	-	1.1
35-44	-	32.1	0.3	32.4
45-54	-	163.2	1.9	165.1
55-64	-	168.4	31.2	199.6
65-74	-	10.1	36.2	46.3
75-84	-	0.1	0.2	0.3
85+	-	0.1	0.1	0.2
Total	£-	£375.1m	£69.9m	£445.0m

**19. EMPLOYEE BENEFIT OBLIGATIONS – continued**

**Deferred tax**

Included in note 12 to the financial statements is an unrecognised deferred tax asset of £19,300,000 (2013: £18,750,000) relating to the defined benefit pension scheme liability.

**Defined contribution scheme**

The company does not operate a defined contribution scheme.

**20. ULTIMATE PARENT COMPANY**

The ultimate parent company is Valmont Industries Inc, a company incorporated in the US. Valmont Industries Inc is the parent undertaking of the largest and smallest group which includes the Company and for which group accounts are prepared. Copies of the consolidated financial statements of Valmont Industries Inc can be obtained from [www.valmont.com](http://www.valmont.com).

**21. SUBSEQUENT EVENTS**

The directors have declared a second interim dividend for 2014 of 7.8p per share on 17 July 2015. In accordance with FRS 21, this has not been included as a liability in these financial statements.

**22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	27.12.14	28.12.13
	£'000	£'000
Profit for the financial period	8,280	63,442
Dividends	(15,000)	(13,000)
	(6,720)	50,442
Other recognised gains and losses relating to the period (net)	(12,127)	(145,878)
<b>Net reduction of shareholders' funds</b>	<b>(18,847)</b>	<b>(95,436)</b>
Opening shareholders' funds	308,182	403,618
<b>Closing shareholders' funds</b>	<b>289,335</b>	<b>308,182</b>