

Design Installation Service Limited
Financial Statements
31 March 2018



HARPER SHELDON LIMITED
Chartered accountant & statutory auditor
Midway House
Staverton Technology Park
Herrick Way, Staverton
Cheltenham, Glos.
GL51 6TQ

Design Installation Service Limited

Financial Statements

Year ended 31 March 2018

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Design Installation Service Limited

Directors' Report

Year ended 31 March 2018

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

Directors

The directors who served the company during the year were as follows:

C S Croome
D J Bell

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Design Installation Service Limited

Directors' Report *(continued)*

Year ended 31 March 2018

This report was approved by the board of directors on 18 October 2018 and signed on behalf of the board by:

A handwritten signature in black ink, consisting of several overlapping loops and horizontal strokes, positioned above the printed name and title.

D J Bell
Director

Design Installation Service Limited

Independent Auditor's Report to the Members of Design Installation Service Limited

Year ended 31 March 2018

Opinion

We have audited the financial statements of Design Installation Service Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Design Installation Service Limited

Independent Auditor's Report to the Members of Design Installation Service Limited (continued)

Year ended 31 March 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Design Installation Service Limited

Independent Auditor's Report to the Members of Design Installation Service Limited (continued)

Year ended 31 March 2018

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Design Installation Service Limited

Independent Auditor's Report to the Members of Design Installation Service Limited *(continued)*

Year ended 31 March 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



James Harper (Senior Statutory Auditor)

For and on behalf of
Harper Sheldon Limited
Chartered accountant & statutory auditor
Midway House
Staverton Technology Park
Herrick Way, Staverton
Cheltenham, Glos.
GL51 6TQ

18 October 2018

Design Installation Service Limited
Statement of Income and Retained Earnings
Year ended 31 March 2018

	Note	2018 £	2017 £
Turnover		10,098,813	7,454,980
Cost of sales		<u>8,479,463</u>	<u>6,382,713</u>
Gross profit		1,619,350	1,072,267
Administrative expenses		<u>1,020,514</u>	740,222
Other operating income		<u>29,954</u>	403
Operating profit		628,790	332,448
Income from shares in group undertakings		–	122,367
Interest payable and similar expenses		<u>2,194</u>	<u>33,606</u>
Profit before taxation	6	626,596	421,209
Tax on profit		<u>(5,937)</u>	<u>3,299</u>
Profit for the financial year and total comprehensive income		<u>632,533</u>	<u>417,910</u>
Dividends paid and payable		<u>(632,533)</u>	–
Retained earnings/(losses) at the start of the year		150,000	(267,910)
Retained earnings at the end of the year		<u>150,000</u>	<u>150,000</u>

All the activities of the company are from continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

Design Installation Service Limited

Statement of Financial Position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	7	90,686	65,911
Current assets			
Stocks		282,447	276,918
Debtors	8	3,354,438	2,198,687
Cash at bank and in hand		42,925	54,592
		<u>3,679,810</u>	<u>2,530,197</u>
Creditors: amounts falling due within one year	9	<u>3,572,060</u>	<u>2,397,035</u>
Net current assets		107,750	133,162
Total assets less current liabilities		198,436	199,073
Provisions			
Taxation including deferred tax		(1,564)	(927)
Net assets		<u>200,000</u>	<u>200,000</u>
Capital and reserves			
Called up share capital		50,000	50,000
Profit and loss account		150,000	150,000
Shareholders funds		<u>200,000</u>	<u>200,000</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 18 October 2018, and are signed on behalf of the board by:



D J Bell
Director

Company registration number: 01102229

The notes on pages 9 to 13 form part of these financial statements.

Design Installation Service Limited

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Midway House, Staverton Technology Park, Herrick Way, Staverton, Cheltenham, Gloucestershire, GL51 6TQ, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The company depends on the support provided by its ultimate parent company D.I.S Limited. D.I.S Limited has confirmed its willingness to provide financial support for the foreseeable future, that being a period of not less than twelve months from the date of approval of these financial statements. Current forecasts suggest the company will be profitable for the foreseeable future and the group will have sufficient financial resources to fund the trading activities, therefore the financial statements have been drawn up on the going concern basis and do not include the adjustments that would result if the company was unable to continue trading.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Design Installation Service Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Revenue recognition

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Taxation and trade discounts.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & machinery	- 10% straight line
Fixtures & fittings	- 10% straight line
Motor vehicles	- 2% straight line
Equipment	- 33% straight line

Design Installation Service Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Design Installation Service Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Auditor's remuneration

	2018 £	2017 £
Fees payable for the audit of the financial statements	<u>3,000</u>	<u>3,000</u>

5. Employee numbers

The average number of persons employed by the company during the year amounted to 21 (2017: 26).

6. Profit before taxation

Profit before taxation is stated after charging:

	2018 £	2017 £
Depreciation of tangible assets	<u>45,300</u>	<u>31,211</u>

7. Tangible assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2017	35,684	59,021	129,717	65,265	289,687
Additions	–	–	71,999	9,059	81,058
Disposals	–	(57,875)	(31,954)	–	(89,829)
At 31 March 2018	<u>35,684</u>	<u>1,146</u>	<u>169,762</u>	<u>74,324</u>	<u>280,916</u>
Depreciation					
At 1 April 2017	30,068	57,316	77,059	59,333	223,776
Charge for the year	826	115	35,408	8,951	45,300
Disposals	–	(57,201)	(21,645)	–	(78,846)
At 31 March 2018	<u>30,894</u>	<u>230</u>	<u>90,822</u>	<u>68,284</u>	<u>190,230</u>
Carrying amount					
At 31 March 2018	<u>4,790</u>	<u>916</u>	<u>78,940</u>	<u>6,040</u>	<u>90,686</u>
At 31 March 2017	<u>5,616</u>	<u>1,705</u>	<u>52,658</u>	<u>5,932</u>	<u>65,911</u>

Design Installation Service Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

8. Debtors

	2018 £	2017 £
Trade debtors	3,353,607	2,196,078
Other debtors	831	2,609
	<u>3,354,438</u>	<u>2,198,687</u>

9. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,154,246	952,908
Amounts owed to group undertakings and undertakings in which the company has a participating interest	802,202	627,715
Corporation tax	–	5,300
Social security and other taxes	444,980	416,809
Other creditors	3,356	6,781
Other creditors	167,276	387,522
	<u>3,572,060</u>	<u>2,397,035</u>

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018 £	2017 £
Later than 1 year and not later than 5 years	–	30,000

11. Contingencies

The company is party to a cross guarantee given to the group's bankers and as such there is a contingent liability at the balance sheet date for the bank borrowing of all group undertakings, with the exception of D.I.S Limited.

12. Related party transactions

The company has taken advantage of the exemption under FRS8 from reporting transactions entered into with group companies since the company's results are included in consolidated financial statements which are publicly available.

13. Controlling party

The ultimate parent undertaking and controlling party is D.I.S Limited, a company registered in England and Wales. A copy of the group financial statements is available from Companies House, Cardiff.

The immediate parent undertaking is DIS Holdings Limited, a company registered in England and Wales. A copy of that company's financial statements is available from Companies House, Cardiff.