

Company Registration No. 03311330 (England and Wales)

DON CONSTRUCTION CHEMICALS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

PAGES FOR FILING WITH REGISTRAR

FRIDAY



A8EWRG60

A36

27/09/2019

#380

COMPANIES HOUSE

DON CONSTRUCTION CHEMICALS LIMITED

CONTENTS

	Page
Statement of financial position	1
Notes to the financial statements	2 - 8

DON CONSTRUCTION CHEMICALS LIMITED

STATEMENT OF FINANCIAL POSITION

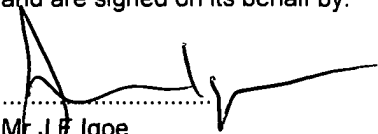
AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Non-current assets			
Investments	3	2,171	2,773,498
Current assets			
Trade and other receivables	5	747,684	297,455
Cash and cash equivalents		11,254	2,807
		<u>758,938</u>	<u>300,262</u>
Current liabilities	6	(2,133)	(3,750)
Net current assets		<u>756,805</u>	<u>296,512</u>
Total assets less current liabilities		<u>758,976</u>	<u>3,070,010</u>
Non-current liabilities	7	-	(1,429,366)
Net assets		<u><u>758,976</u></u>	<u><u>1,640,644</u></u>
Equity			
Called up share capital	9	1,765,000	1,765,000
Other reserves	10	-	879,975
Retained earnings	11	(1,006,024)	(1,004,331)
Total equity		<u><u>758,976</u></u>	<u><u>1,640,644</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 25 September 2019 and are signed on its behalf by:


 Mr J F Igoe
 Director

Company Registration No. 03311330

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Don Construction Chemicals Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hawthorn House, Helions Bumpstead Road, Haverhill, Suffolk, CB9 7AA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future after consideration of the impact of the transfer of trade to Don Construction Products Limited. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments:

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the debt instrument to the net carrying amount on initial recognition.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

The company participates in a group contribution benefit scheme for the benefit of its employees. The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. The employer is unable to identify its share of the underlying assets of the scheme on a consistent and reasonable basis. As the principal employer of the scheme acts as guarantor in respect of the pension payments, the contributions to the scheme are accounted for as if they were a defined contribution scheme.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

2 Employees

There were no employees of the company during the year other than the directors.

3 Fixed asset investments

	2018 £	2017 £
Investments	2,171	2,773,498

The company has not designated any financial assets that are not classified as financial assets at fair value through profit or loss.

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

3 Fixed asset investments (Continued)

Movements in non-current investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018	2,773,498
Additions	25,106
Disposals	(2,796,433)
At 31 December 2018	2,171
Carrying amount	
At 31 December 2018	2,171
At 31 December 2017	2,773,498

4 Subsidiaries

Details of the company's subsidiaries at 31 December 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
DCP Baltics OU	Estonia	Construction product manufacturer	Ordinary	50	

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
DCP Baltics OU	21,943	365,330

5 Trade and other receivables

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	747,504	290,405
Other receivables	180	7,050
	<u>747,684</u>	<u>297,455</u>

Trade receivables disclosed above are measured at amortised cost.

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Current liabilities

	2018 £	2017 £
Other payables	2,133	3,750

7 Non-current liabilities

	2018 £	2017 £
Amounts due to group undertakings	-	1,429,366

8 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

9 Called up share capital

	2018 £	2017 £
Ordinary share capital Issued and fully paid 1,765,000 Ordinary shares of £1 each	1,765,000	1,765,000

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Other reserves

	£
At 1 January 2017	628,104
Additions	251,871
At 31 December 2017	879,975
Disposals	(879,975)
At 31 December 2018	-

Other reserves represents both the capital contribution on the loan from a fellow subsidiary under the direction of the parent company, and also the capital contribution on a loan from the parent company. During the year the investment held in Don Construction Chemicals India was transferred to Don Construction Holdings Limited. As a result Other reserves reduced to nil.

11 Retained earnings

The retained earnings account represents the cumulative profits and losses net of dividends and other adjustments.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Richard Hayward.

The auditor was Ward Williams.

DON CONSTRUCTION CHEMICALS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

13 Related party transactions

Transactions with related parties

The company has taken advantage of the exemption in FRS102 section 33 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the parent company. The consolidated financial statements are available from Churnetside Business Park, Station Road, Cheddleton, Leek, Staffordshire, ST13 7RS.

14 Parent company

The ultimate parent company is Don Construction Holdings Limited, a company registered in England and Wales.

The consolidated financial statements of Don Construction Holdings Limited can be obtained from Hawthorn House, Helions Bumpstead Road, Haverhill, Suffolk, CB9 7AA.