

**Company Registration No. 04378989 (England and Wales)**

**DAWNUS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

# DAWNUS LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	Mr T A Lowe Mr N C Down	(Appointed 12 March 2018)
<b>Secretary</b>	Mr T A Lowe	
<b>Company number</b>	04378989	
<b>Registered office</b>	7 Dyffryn Court Riverside Business Park Swansea Vale SWANSEA UK SA7 0AP	
<b>Auditor</b>	MHA Broomfield Alexander Charter Court Phoenix Way Enterprise Park SWANSEA UK SA7 9FS	

---

# DAWNUS LIMITED

## CONTENTS

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of total comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9 - 17

---

# DAWNUS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2017

---

The directors present the strategic report for the year ended 31 December 2017.

#### **Review of Business**

The trading results for the year are set out in the annexed financial statements.

The directors were pleased with the performance of the business during the period given the challenging economic conditions prevailing throughout the UK.

Whilst trading conditions are expected to remain challenging throughout FY'18, the board consider the company to be well positioned to manage and take on this challenge.

Given the nature of the business, the company's directors are of the opinion that detailed analysis using KPIs is not necessary for an understanding of the development, performance and position of the business.

The management of the business and the execution of the company's strategy are subject to a number of risks.

Overall demand for the company's services is dependent upon general economic conditions, perceived confidence in the future and financial interest rates. Each of the aforementioned factors is outside of the company's control. The directors seek to mitigate these general risks by constantly assessing the sectors in which the company operates, investing in a quality labour force and by striving to control quality. The company continues to develop business systems and new technology aimed at improving procedures and overall financial management.

#### **Principle Risks and Uncertainties**

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

#### ***Liquidity risk***

The company actively maintains a mixture of long term and short term debt finance that is designed to ensure that the company has sufficient funds for operations and planned expansions.

#### ***Interest rate cash flow risk***

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets comprise only cash balances, which earn interest at floating rates. The company has a policy of maintaining debt at floating rates. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

#### ***Credit risk***

The company is not exposed to any significant credit risk.

#### ***Price risk***

The company is exposed to not exposed to significant price risk.

On behalf of the board

Mr N C Down

**Director**

27 June 2018

# DAWNUS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2017

---

The directors present their annual report and financial statements for the year ended 31 December 2017.

#### Principal activities

The principal activity of the company in the year under review was that of an employee payroll company and asset holding company for the Dawnus Limited Group.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr R Jones	(Retired 12 March 2018)
Mr T A Lowe	
Mr N C Down	(Appointed 12 March 2018)

#### Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Future developments

The strategy and future developments of the business have been set out in the Strategic Report.

#### Auditor

The auditor, MHA Broomfield Alexander, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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. 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;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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.

## **DAWNUS LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2017***

---

#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr N C Down

**Director**

27 June 2018

# DAWNUS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAWNUS LIMITED

---

### Opinion

We have audited the financial statements of Dawnus Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year 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.

### 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.

### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 our audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## DAWNUS LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF DAWNUS LIMITED

---

##### **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 Strategic Report and the Directors' Report.

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.

##### **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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

**James Edward Dobson BSc(Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of MHA Broomfield Alexander

27 June 2018

**Chartered Accountants**  
**Statutory Auditor**

Charter Court  
Phoenix Way  
Enterprise Park  
SWANSEA  
UK  
SA7 9FS



## DAWNUS LIMITED

### STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Turnover	3	31,287	32,458
Cost of sales		(30,819)	(32,052)
<b>Gross profit</b>		<b>468</b>	<b>406</b>
Administrative expenses		(394)	(323)
<b>Operating profit</b>	4	<b>74</b>	<b>83</b>
Interest payable and similar expenses	8	(74)	(80)
<b>Profit before taxation</b>		<b>-</b>	<b>3</b>
Tax on profit	9	-	24
<b>Profit for the financial year</b>		<b>-</b>	<b>27</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>27</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

# DAWNUS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

		2017		2016	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	10		3,412		3,541
<b>Current assets</b>					
Debtors	11	662		1,748	
<b>Creditors: amounts falling due within one year</b>	12	(2,586)		(3,608)	
<b>Net current liabilities</b>			(1,924)		(1,860)
<b>Total assets less current liabilities</b>			1,488		1,681
<b>Creditors: amounts falling due after more than one year</b>	13		(1,299)		(1,492)
<b>Net assets</b>			189		189
<b>Capital and reserves</b>					
Called up share capital	16		100		100
Profit and loss reserves			89		89
<b>Total equity</b>			189		189

The financial statements were approved by the board of directors and authorised for issue on 27 June 2018 and are signed on its behalf by:

Mr N C Down  
**Director**

**Company Registration No. 04378989**

## DAWNUS LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

	Share capital	Profit and loss reserves	Total
	£'000	£'000	£'000
Balance at 1 January 2016	100	62	162
Year ended 31 December 2016:			
Profit and total comprehensive income for the year	-	27	27
	<u>100</u>	<u>89</u>	<u>189</u>
Balance at 31 December 2016	100	89	189
Year ended 31 December 2017:			
Profit and total comprehensive income for the year	-	-	-
	<u>100</u>	<u>89</u>	<u>189</u>
Balance at 31 December 2017	<u>100</u>	<u>89</u>	<u>189</u>

# DAWNUS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies

#### Company information

Dawnus Limited is a private company limited by shares incorporated in England and Wales. The registered office is 7 Dyffryn Court, Riverside Business Park, Swansea Vale, SWANSEA, UK, SA7 0AP.

#### 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.

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 £'000.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Dawnus Group Limited. These consolidated financial statements are available from its registered office, - Unit 7, Dyffryn Court, Riverside Business Park, Swansea Vale, Swansea. SA7 0AP.

#### 1.3 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. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable excluding discounts, rebate, value added tax and other sales tax.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold	Straight line over the life of the lease
Fixtures and fittings	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# DAWNUS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies (Continued)

#### 1.2 Cash and cash equivalents

Cash at bank and in hand 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.

#### 1.5 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 balance sheet 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 loans from fellow group companies 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, other than those held at fair value through profit and loss, 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.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.

# DAWNUS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies (Continued)

Basic financial liabilities, including creditors 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.

Trade creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.6 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

### 1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# DAWNUS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies (Continued)

#### 1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.9 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 profit and loss account for the period.

#### 1.10 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2017 £'000	2016 £'000
<b>Turnover analysed by class of business</b>		
Rendering of services	31,287	32,458

### 4 Operating profit

	2017 £'000	2016 £'000
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	322	322

## DAWNUS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

#### 5 Auditor's remuneration

	2017 £'000	2016 £'000
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	4	4
	<u>          </u>	<u>          </u>
<b>For other services</b>		
Other taxation services	5	5
All other non-audit services	5	5
	<u>          </u>	<u>          </u>
	10	10
	<u>          </u>	<u>          </u>

#### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Construction	496	485
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2017 £'000	2016 £'000
Wages and salaries	26,151	25,864
Social security costs	2,637	2,578
Pension costs	1,514	1,663
	<u>          </u>	<u>          </u>
	30,302	30,105
	<u>          </u>	<u>          </u>

#### 7 Directors' remuneration

	2017 £'000	2016 £'000
Remuneration for qualifying services	401	381
Company pension contributions to defined contribution schemes	29	88
Compensation for loss of office	30	-
	<u>          </u>	<u>          </u>
	460	469
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2016 - 2).



## DAWNUS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

#### 7 Directors' remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2017 £'000	2016 £'000
Remuneration for qualifying services	222	196
Company pension contributions to defined contribution schemes	10	22
	<u>      </u>	<u>      </u>

#### 8 Interest payable and similar expenses

	2017 £'000	2016 £'000
Interest on bank overdrafts and loans	74	80
	<u>      </u>	<u>      </u>

#### 9 Taxation

	2017 £'000	2016 £'000
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	(24)
	<u>      </u>	<u>      </u>

The actual charge/(credit) for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £'000	2016 £'000
Profit before taxation	-	3
	<u>      </u>	<u>      </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	-	1
Tax effect of expenses that are not deductible in determining taxable profit	-	5
Effect of change in corporation tax rate	-	1
Group relief	-	(31)
	<u>      </u>	<u>      </u>
Taxation charge/(credit) for the year	-	(24)
	<u>      </u>	<u>      </u>

# DAWNUS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 10 Tangible fixed assets

	Long leasehold	Fixtures and fittings	Total
	£'000	£'000	£'000
<b>Cost</b>			
At 1 January 2017	2,814	2,947	5,761
Additions	-	48	48
At 31 December 2017	2,814	2,995	5,809
<b>Depreciation and impairment</b>			
At 1 January 2017	201	2,019	2,220
Depreciation charged in the year	23	154	177
At 31 December 2017	224	2,173	2,397
<b>Carrying amount</b>			
At 31 December 2017	2,590	822	3,412
At 31 December 2016	2,613	928	3,541

### 11 Debtors

	2017	2016
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	586	1,657
Other debtors	32	47
Deferred tax asset (note 15)	618	1,704
	44	44
	662	1,748

### 12 Creditors: amounts falling due within one year

	Notes	2017	2016
		£'000	£'000
Bank loans and overdrafts	14	197	193
Trade creditors		5	-
Amounts due to group undertakings		1,338	2,410
Other taxation and social security		660	703
Other creditors		-	302
Accruals and deferred income		386	-
		2,586	3,608

## DAWNUS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

#### 13 Creditors: amounts falling due after more than one year

	Notes	2017 £'000	2016 £'000
Bank loans and overdrafts	14	1,299	1,492

Amounts included above which fall due after five years are as follows:

Payable by instalments	529	722
------------------------	-----	-----

#### 14 Loans and overdrafts

	2017 £'000	2016 £'000
Bank loans	1,492	1,685
Bank overdrafts	4	-
	1,496	1,685
Payable within one year	197	193
Payable after one year	1,299	1,492

Bank borrowings are secured by a first legal mortgage over long leasehold office premises and on debentures over the company's assets. In addition, the bank borrowings are secured by a cross guarantee given by other group companies.

The bank loan is repayable over 15 years by monthly instalments at 1.45% over bank base rate.

#### 15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Assets 2017 £'000	Assets 2016 £'000
Balances:		
Short term timing differences	44	44

There were no deferred tax movements in the year.

The deferred tax asset is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits.

## DAWNUS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

---

**16 Share capital**

	2017	2016
	£'000	£'000
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
100,000 Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>

**17 Financial commitments, guarantees and contingent liabilities**

The company has guaranteed the bank borrowings of a fellow group company amounting to £5,518,000 (2016: £5,661,000).

**18 Controlling party**

The immediate parent company is Dawnus Developments Limited, which is 100% owned by Dawnus Group Limited.

The parent company and controlling party is Dawnus Group Limited which is the parent company of the largest and smallest group to consolidate these financial statements.

The directors do consider there to be an ultimate controlling party of the group.

Copies of the Dawnus Group consolidated financial statements can be obtained from the company's registered office - Unit 7, Dyffryn Court, Riverside Business Park, Swansea Vale, Swansea. SA7 0AP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.