

Registered number 07597648

Dawnus Southern Limited

Annual report for the year ended 31 December 2013

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COMPANIES HOUSE

Dawnus Southern Limited

Directors and advisers

Directors

N. Johnson
R. T. Evans
H. Smith

Secretary

T.A. Lowe

Registered office

Unit 7, Dyffryn Court
Riverside Business Park
Swansea Vale
Swansea
SA7 0AP

Independent auditors

PricewaterhouseCoopers LLP
Llys Tawe
Kings Road
SA1 Swansea Waterfront
Swansea SA1 8PG

Bankers

Lloyds TSB Bank Plc
Carlyle House
5 Cathedral Road
Cardiff
CF11 9RH

Dawnus Southern Limited

Annual report for the year ended 31 December 2013

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Dawnus Southern Limited

Strategic report for the year ended 31 December 2013

The directors present their strategic report on the company for the year ended 31 December 2013.

Business review and future developments

During 2013 the company began to trade. The company acquired Ashridge Construction Limited in March 2013.

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

The directors are confident of growth in subsequent periods to increase trading activity and profitability.

Results and dividends

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

The directors do not recommend the payment of a final dividend on ordinary shares (2012: £Nil).

The company's key performance indicators are financial, turnover and operating loss. These are set out in the profit and loss account.

By order of the board



R. T. Evans
Director

Dawnus Southern Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the audited financial statements for the year ended 31 December 2013.

Principal activity

The principal activity of the company is that of building and civil engineering.

Financial risk management objectives and policies / Principal risks and uncertainties

Along with all businesses, the company has to identify and manage a number of risks and uncertainties in its operations. Overall demand is dependent upon general economic conditions, perceived confidence in the future, and financial interest rates, all of which are outside the company's control. We aim to spread the impact of these general risks by constantly assessing the geographical markets and industry sectors in which we operate, by our commitment to a quality labour force through training and personal development, and by striving to control quality and minimise costs. The company carefully manages its working capital requirements, and continues to develop business systems and introduce new technology where appropriate to improve procedures and overall financial management.

Directors

The directors who served during the year and up to the date of approval of the financial statements are as stated below:

R. T. Evans	(Appointed 15 October 2013)
N. Johnson	(Appointed 15 October 2013)
H. Smith	(Appointed 15 October 2013)
R.G. Jones	(Resigned 15 October 2013)
B. Dalling	(Resigned 15 October 2013)
T. A. Lowe	(Resigned 15 October 2013)

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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.

Statement of disclosure of information to auditors

As far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Dawnus Southern Limited

Directors' report for the year ended 31 December 2013 (continued)

Independent auditors

PricewaterhouseCoopers LLP are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

By order of the board.



**R.T.Evans
Director**

Dawnus Southern Limited

Independent auditors' report to the members of Dawnus Southern Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Dawnus Southern Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Report and Financial Statements (the "Annual 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 other matter prescribed by the Companies Act 2006

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

Dawnus Southern Limited

Independent auditors' report to the members of Dawnus Southern Limited (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

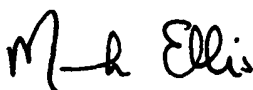
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Mark Ellis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Swansea, 22 May 2014

Dawnus Southern Limited

Registered number 07597648

Profit and Loss Account for the year ended 31 December 2013

	Notes	2013 £000	2012 £000
Turnover	2	6,344	-
Cost of sales		(5,968)	-
Gross profit		376	-
Administrative expenses		(412)	-
Operating loss and loss on ordinary activities before taxation	5	(36)	-
Tax on loss on ordinary activities	6	-	-
Loss for the financial year	11	(36)	-

All operations are continuing.

The company has no recognised gains and losses other than included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial years stated above and their historical cost equivalents.

Dawnus Southern Limited

Registered number 07597648

Balance Sheet As at 31 December 2013

	Note	2013 £000	2012 £000
Fixed assets			
Investments	7	1,156	-
		1,156	-
Current assets			
Debtors	8	203	-
		203	-
Creditors: amounts falling due within one year	9	(1,395)	-
Net current assets / (liabilities)		(1,192)	-
Total assets less current liabilities		(36)	-
Net liabilities		(36)	-
Capital and reserves			
Called up share capital	10	-	-
Profit and loss account	11	(36)	-
Total shareholders' deficit	12	(36)	-

The financial statements on pages 6 to 12 were approved by the board of directors on 22 May 2014 and were signed on its behalf by:



R.T. Evans
Director

Dawnus Southern Limited

Notes to the financial statements for the year ended 31 December 2013

1. Accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The principal accounting policies are summarised below. They have been consistently applied throughout the year and preceding period.

Cash flow statement and related party disclosure

The company is a wholly owned subsidiary of Dawnus Group Limited and is included in the consolidated financial statements of Dawnus Group Limited which are publicly available.

Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1. The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Dawnus Group Limited group or investees of Dawnus Group Limited and its subsidiary companies.

Turnover and amounts recoverable on contracts

Turnover for a financial year includes the value of construction work done and plant hire income. Turnover excludes trade discounts and value added tax.

Long term contract balances are assessed on a contract by contract basis and are reflected in the profit and loss account as contract activity progress. Any expected losses on long term contract balances are recognised immediately and are written off to the profit and loss account. Where it is considered that the outcome of a long term contract can be assessed with reasonable certainty before its conclusion, the prudently calculated attributable profit is recognised in the profit and loss account as the difference between reported turnover and related costs for that contract.

On short term contracts turnover and profits are recognised when invoices are raised for certified work undertaken.

The amount by which recorded turnover is in excess of payments on account is classified as "amounts recoverable on contracts" and separately disclosed within debtors. Where progress payments are in excess of recognised turnover, the excess is included in creditors as 'payments received on account'.

Stocks and work in progress

Stocks and work in progress (other than long term contract balances) are stated in the balance sheet at the lower of cost and net realisable value. Work in progress comprises costs incurred in development projects less any provisions for amounts deemed irrecoverable.

Investments

Investments are stated at cost less, where appropriate, any provision for impairment.

Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Exchange gains and losses are included in operating profit.

Dawnus Southern Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

Long term contracts

Amounts receivable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provisions for contingencies and anticipated future losses on contracts less amounts received as progress payments on account. Excess progress payments are included in creditors as payments received on account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at that date.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sustainable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non discounted basis.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity of construction and civil engineering and is wholly undertaken in the United Kingdom.

3. Employee information

The company has no employees other than the directors.

4. Directors' emoluments

The directors did not receive any emoluments from this company in respect of qualifying services in either 2013 or 2012.

5. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	2013 £000	2012 £000
Services provided by the company's auditor		
Fees payable for audit	3	-
Fee payable for other services – tax compliance	2	-

Dawnus Southern Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

6. Tax on loss on ordinary activities

	2013 £000	2012 £000
Current tax		
UK corporation tax on loss for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on loss on ordinary activities	-	-

The tax assessed for the year is higher than the standard effective rate of corporation tax in the UK (23.25%). The differences are explained below:

	2013 £000	2012 £000
Loss on ordinary activities before taxation	(36)	-
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.50%)	(8)	-
Effects of:		
Group relief not paid for	8	-
Current tax charge for the year	-	-

7. Investments

	Shares in subsidiary undertakings £000
Cost and net book value	
At 1 January 2013	-
Additions	1,156
At 31 December 2013	1,156

The principal subsidiary companies are set out below:

Name of undertaking	% shares held	Principal activity
Ashridge Construction Limited	Ordinary shares - 100%	Building and civil engineering

The directors believe that the carrying value of the investment is supported by its expected future performance.

Dawnus Southern Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

8. Debtors

	2013 £000	2012 £000
Trade debtors	124	-
Amounts recoverable on long-term contracts	60	-
Prepayments and accrued income	19	-
	203	-

9. Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	72	-
Amounts owed to group undertakings	1,279	-
Other taxes and social security costs	27	-
Accruals and deferred income	17	-
	1,395	-

10. Called up share capital

	2013 £	2012 £
Allotted equity		
100 (2012: 100) ordinary shares of £1 each	100	100

11. Profit and loss

	£000
At 1 January 2013	-
Loss for the financial year	(36)
At 31 December 2013	(36)

12. Reconciliation of movements in shareholders' funds

	2013 £000	2012 £000
Loss for the financial year	(36)	-
Net decrease in shareholders' funds	(36)	-
Opening shareholders' funds	-	-
Closing shareholders' funds	(36)	-

13. Contingent liability

The company has guaranteed the bank overdraft of a fellow group company, the amount of borrowing at 31 December 2013 totalled £531,000.

Dawnus Southern Limited

Notes to the financial statements for the year ended 31 December 2013 (continued)

14. Ultimate parent company and controlling party

The immediate parent company is Dawnus Construction Holdings Limited, which is 100% owned by Dawnus Group Limited. The ultimate 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. Copies of the Dawnus Group Limited consolidated financial statements can be obtained from the Company Secretary at Unit 7, Dyffryn Court, Riverside Business Park, Swansea Vale, Swansea, SA7 0AP.