

Registration number: NI050218

Dixons Contractors Ltd

Annual Report and Financial Statements

for the Year Ended 31 March 2017

D T Carson & Co
Chartered Accountants & Registered Auditors
51-53 Thomas Street
Ballymena
Co. Antrim
BT43 6AZ

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Dixons Contractors Ltd

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Dixons Contractors Ltd

Company Information

Directors	Mr Daniel Dixon Mrs Geraldine Dixon Mr Daniel Dixon Jnr Mrs Julie O'Hagan Mr Declan McKendry
Company secretary	Mrs Geraldine Dixon
Registered office	143 Tullaghans Road Dunloy Ballymena Co Antrim BT44 9EA
Solicitors	McKervill Neilly 1-2 Broadway Avenue Ballymena Co Antrim BT43 7AA
Bankers	Bank of Ireland 1 Donegall Square South Belfast Antrim BT1 5LR
Auditors	D T Carson & Co Chartered Accountants & Registered Auditors 51-53 Thomas Street Ballymena Co. Antrim BT43 6AZ

Dixons Contractors Ltd

Strategic Report for the Year Ended 31 March 2017

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

Principal activity

The principal activity of the company is that of a building contractor

Fair review of the business

The results for the year show a profit on ordinary activities before tax of £74,061 (2016: £362,441) on turnover of £26,483,638 (2016: £22,912,290). The directors are satisfied with the underlying performance of the company which shows operating profit of £106,169 (2016: £376,104). The company will continue to seek every opportunity to increase its profitable turnover.

Dividends totalling £21,000 were paid during the year (2016: £75,000).

Key performance indicators

The company's key financial and other performance indicators during the year were as follows:

	Unit	2017	2016
Turnover	£	26,483,638	22,912,290
Turnover growth	%	16	85
Gross profit margin	%	8	9
Profit on ordinary activities before tax	£	74,061	362,441
Total equity	£	1,473,424	1,438,122
Employee numbers		86	77

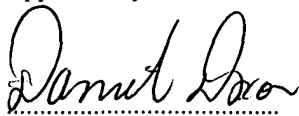
Future developments

Whilst market conditions remain highly competitive, the directors are encouraged by the level of post year end contracts and anticipate a further significant increase in turnover. The company aims to strengthen their presence in sectors they already work in and selectively target new sectors, the company will develop into profitable divisions expanding into other geographical areas.

Principal risks and uncertainties

As recovery in the construction sector continues, the directors are of the opinion performance in the sector is affected by availability of contracts, competitor activity, variable labour costs and specific sectoral factors. The management carry out regular reviews of contracts on a monthly basis.

Approved by the Board on 21 December 2017 and signed on its behalf by:



Mr Daniel Dixon Jnr
Director

Dixons Contractors Ltd

Directors' Report for the Year Ended 31 March 2017

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

Directors of the company

The directors who held office during the year were as follows:

Mr Daniel Dixon

Mrs Geraldine Dixon - Company secretary and director

Mr Daniel Dixon Jnr

Mrs Julie O'Hagan

Mr Declan McKendry

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations. In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from the directors and from financial institutions. The interest rate on loans from financial institutions is variable, but the monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Dixons Contractors Ltd

Directors' Report for the Year Ended 31 March 2017

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 (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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has 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.

Dixons Contractors Ltd

Directors' Report for the Year Ended 31 March 2017

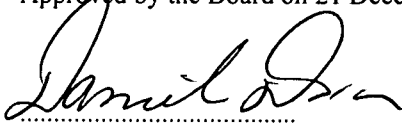
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors D T Carson & Co are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 21 December 2017 and signed on its behalf by:



Mr Daniel Dixon Jnr
Director

Dixons Contractors Ltd

Independent Auditor's Report to the Members of Dixons Contractors Ltd

We have audited the financial statements of Dixons Contractors Ltd for the year ended 31 March 2017, set out on pages 8 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit 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.

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

In the light of our 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.

Dixons Contractors Ltd

Independent Auditor's Report to the Members of Dixons Contractors Ltd

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



James Wallace (Senior Statutory Auditor)

For and on behalf of D T Carson & Co, Statutory Auditor

51-53 Thomas Street
Ballymena
Co. Antrim
BT43 6AZ

21 December 2017

Dixons Contractors Ltd

Profit and Loss Account for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Turnover	3	26,483,638	22,912,290
Cost of sales		<u>(24,450,861)</u>	<u>(20,898,362)</u>
Gross profit		2,032,777	2,013,928
Administrative expenses		(1,976,608)	(1,637,824)
Other operating income	4	<u>50,000</u>	<u>-</u>
Operating profit	6	<u>106,169</u>	<u>376,104</u>
Other interest receivable and similar income	7	-	40
Interest payable and similar expenses	8	<u>(32,108)</u>	<u>(13,703)</u>
		<u>(32,108)</u>	<u>(13,663)</u>
Profit before tax		74,061	362,441
Taxation	12	<u>(17,759)</u>	<u>(69,697)</u>
Profit for the financial year		<u><u>56,302</u></u>	<u><u>292,744</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Dixons Contractors Ltd

Statement of Comprehensive Income for the Year Ended 31 March 2017

	2017	2016
	£	£
Profit for the year	<u>56,302</u>	<u>292,744</u>
Total comprehensive income for the year	<u><u>56,302</u></u>	<u><u>292,744</u></u>

Dixons Contractors Ltd

(Registration number: NI050218)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	13	102,852	137,136
Tangible assets	14	583,230	633,371
Other financial assets	15	194,771	34,280
		<u>880,853</u>	<u>804,787</u>
Current assets			
Stocks	16	3,307,585	3,236,887
Debtors	17	2,245,929	1,542,739
Cash at bank and in hand		190	178,462
		<u>5,553,704</u>	<u>4,958,088</u>
Creditors: Amounts falling due within one year	19	<u>(4,761,019)</u>	<u>(4,067,805)</u>
Net current assets		<u>792,685</u>	<u>890,283</u>
Total assets less current liabilities		<u>1,673,538</u>	<u>1,695,070</u>
Creditors: Amounts falling due after more than one year	19	<u>(100,470)</u>	<u>(147,024)</u>
Provisions for liabilities	20	<u>(99,644)</u>	<u>(109,924)</u>
Net assets		<u>1,473,424</u>	<u>1,438,122</u>
Capital and reserves			
Called up share capital	22	10,000	10,000
Profit and loss account		<u>1,463,424</u>	<u>1,428,122</u>
Total equity		<u>1,473,424</u>	<u>1,438,122</u>

Approved and authorised by the Board on 21 December 2017 and signed on its behalf by:



Mr Daniel Dixon

Director



Mr Daniel Dixon Jnr

Director

The notes on pages 13 to 25 form an integral part of these financial statements.

Dixons Contractors Ltd

Statement of Changes in Equity for the Year Ended 31 March 2017

	Share capital £	Profit and loss account £	Total £
At 1 April 2016	10,000	1,428,122	1,438,122
Profit for the year	-	56,302	56,302
Total comprehensive income	-	56,302	56,302
Dividends	-	(21,000)	(21,000)
At 31 March 2017	10,000	1,463,424	1,473,424
	Share capital £	Profit and loss account £	Total £
At 1 April 2015	10,000	1,210,378	1,220,378
Profit for the year	-	292,744	292,744
Total comprehensive income	-	292,744	292,744
Dividends	-	(75,000)	(75,000)
At 31 March 2016	10,000	1,428,122	1,438,122

Dixons Contractors Ltd

Statement of Cash Flows for the Year Ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Profit for the year		56,302	292,744
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	205,036	185,936
Profit on disposal of tangible assets	5	(2,748)	(1,353)
Finance income	7	-	(40)
Finance costs	8	32,108	13,703
Income tax expense	12	17,759	69,697
		<u>308,457</u>	<u>560,687</u>
Working capital adjustments			
Increase in stocks	16	(70,698)	(352,676)
(Increase)/decrease in trade debtors	17	(703,190)	182,101
Increase in trade creditors	19	6,166	104,341
Cash generated from operations		(459,265)	494,453
Income taxes paid	12	(40,178)	(53,445)
Net cash flow from operating activities		<u>(499,443)</u>	<u>441,008</u>
Cash flows from investing activities			
Interest received	7	-	40
Acquisitions of tangible assets		(45,788)	(161,386)
Proceeds from sale of tangible assets		12,957	10,635
Acquisition of investments		(160,491)	-
Net cash flows from investing activities		<u>(193,322)</u>	<u>(150,711)</u>
Cash flows from financing activities			
Interest paid	8	(32,108)	(13,703)
Proceeds from bank borrowing draw downs		173,494	103,247
Repayment of bank borrowing		(34,719)	(67,688)
Payments to finance lease creditors		(116,882)	(74,143)
Dividends paid	25	(21,000)	(75,000)
Net cash flows from financing activities		<u>(31,215)</u>	<u>(127,287)</u>
Net (decrease)/increase in cash and cash equivalents		(723,980)	163,010
Cash and cash equivalents at 1 April		<u>178,462</u>	<u>15,452</u>
Cash and cash equivalents at 31 March		<u><u>(545,518)</u></u>	<u><u>178,462</u></u>

The notes on pages 13 to 25 form an integral part of these financial statements.

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

1 General information

The company is a private company limited by share capital, incorporated in Northern Ireland.

The address of its registered office is:

143 Tullaghans Road

Dunloy

Ballymena

Co Antrim

BT44 9EA

These financial statements were authorised for issue by the Board on 21 December 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Changes in accounting estimate

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance basis
Motor vehicles	25% reducing balance basis
Office equipment	25% reducing balance basis

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Over 5 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2017 £	2016 £
Sale of goods	<u>26,483,638</u>	<u>22,912,290</u>

The amount of contract revenue recognised as revenue in the year was £26,483,638 (2016 - £22,912,290).

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised in proportion to the stage of completion of contract activity. An expected loss on a construction contract is recognised as an expense as soon as such loss is probable.

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2017 £	2016 £
Miscellaneous other operating income	<u>50,000</u>	<u>-</u>

5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2017 £	2016 £
Gain (loss) on disposal of property, plant and equipment	<u>2,748</u>	<u>1,353</u>

6 Operating profit

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	170,752	151,644
Amortisation expense	34,284	34,292
Profit on disposal of property, plant and equipment	<u>(2,748)</u>	<u>(1,353)</u>

7 Other interest receivable and similar income

	2017 £	2016 £
Other finance income	<u>-</u>	<u>40</u>

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

8 Interest payable and similar charges

	2017 £	2016 £
Interest on bank overdrafts and borrowings	22,367	6,416
Interest on obligations under finance leases and hire purchase contracts	9,741	7,287
	<u>32,108</u>	<u>13,703</u>

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2017 £	2016 £
Wages and salaries	2,331,952	1,948,086
Social security costs	229,257	188,324
Pension costs, defined contribution scheme	91,441	75,526
Other employee expense	32,271	20,076
	<u>2,684,921</u>	<u>2,232,012</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2017 No.	2016 No.
Administration and support	<u>86</u>	<u>77</u>

10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2017 £	2016 £
Remuneration	137,792	131,741
Contributions paid to money purchase schemes	15,590	15,588
	<u>153,382</u>	<u>147,329</u>

11 Auditors' remuneration

	2017 £	2016 £
Audit of the financial statements	<u>6,900</u>	<u>6,500</u>

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

12 Taxation

Tax charged/(credited) in the income statement

	2017 £	2016 £
Current taxation		
UK corporation tax	28,039	40,186
Deferred taxation		
Arising from origination and reversal of timing differences	(10,280)	29,511
Tax expense in the income statement	<u>17,759</u>	<u>69,697</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2016 - the same as the standard rate of corporation tax in the UK) of 20% (2016 - 20%).

The differences are reconciled below:

	2017 £	2016 £
Profit before tax	<u>74,061</u>	<u>362,441</u>
Corporation tax at standard rate	14,812	72,488
Effect of expense not deductible in determining taxable profit (tax loss)	1,335	349
UK deferred tax (credit)/expense relating to changes in tax rates or laws	(10,280)	29,511
Tax increase/(decrease) from effect of capital allowances and depreciation	<u>11,892</u>	<u>(32,651)</u>
Total tax charge	<u>17,759</u>	<u>69,697</u>

Deferred tax

Deferred tax assets and liabilities

	Asset £
2017	
Accelerated tax depreciation	<u>10,280</u>
	Liability
2016	£
Accelerated tax depreciation	<u>29,511</u>

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

13 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 April 2016	<u>600,000</u>	<u>600,000</u>
At 31 March 2017	<u>600,000</u>	<u>600,000</u>
Amortisation		
At 1 April 2016	462,864	462,864
Amortisation charge	<u>34,284</u>	<u>34,284</u>
At 31 March 2017	<u>497,148</u>	<u>497,148</u>
Carrying amount		
At 31 March 2017	<u><u>102,852</u></u>	<u><u>102,852</u></u>
At 31 March 2016	<u><u>137,136</u></u>	<u><u>137,136</u></u>

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

14 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2016	90,413	540,175	809,189	1,439,777
Additions	5,756	40,795	84,269	130,820
Disposals	-	(28,150)	(1,836)	(29,986)
At 31 March 2017	96,169	552,820	891,622	1,540,611
Depreciation				
At 1 April 2016	39,079	216,830	550,497	806,406
Charge for the year	13,543	83,534	73,675	170,752
Eliminated on disposal	-	(18,006)	(1,771)	(19,777)
At 31 March 2017	52,622	282,358	622,401	957,381
Carrying amount				
At 31 March 2017	43,547	270,462	269,221	583,230
At 31 March 2016	51,334	323,345	258,692	633,371

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2017 £	2016 £
Motor vehicles, plant and machinery	301,319	295,570

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

15 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
Non-current financial assets		
Cost or valuation		
At 1 April 2016	34,280	34,280
Additions	160,491	160,491
At 31 March 2017	194,771	194,771
Impairment		
Carrying amount		
At 31 March 2017	194,771	194,771

16 Stocks

	2017 £	2016 £
Work in progress	3,285,352	3,213,147
Other inventories	22,233	23,740
	3,307,585	3,236,887

17 Debtors

	2017 £	2016 £
Trade debtors	2,119,836	1,280,502
Other debtors	71,456	212,587
Prepayments	54,637	49,650
	2,245,929	1,542,739

18 Cash and cash equivalents

	2017 £	2016 £
Cash at bank	190	178,462
Bank overdrafts	(545,708)	-
Cash and cash equivalents in statement of cash flows	(545,518)	178,462

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

19 Creditors

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	23	941,960	242,773
Trade creditors		3,470,931	3,524,355
Amounts due to related parties	26	19,984	5,153
Social security and other taxes		253,366	235,244
Outstanding defined contribution pension costs		18,876	12,293
Other payables		10,873	255
Accruals		16,984	7,548
Income tax liability	12	28,045	40,184
		<u>4,761,019</u>	<u>4,067,805</u>
Due after one year			
Loans and borrowings	23	<u>100,470</u>	<u>147,024</u>

20 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 April 2016	109,924	109,924
Increase (decrease) in existing provisions	<u>(10,280)</u>	<u>(10,280)</u>
At 31 March 2017	<u>99,644</u>	<u>99,644</u>

21 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £91,441 (2016 - £56,738).

Contributions totalling £18,876 (2016 - £12,293) were payable to the scheme at the end of the year and are included in creditors.

22 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

23 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	<u>100,470</u>	<u>147,024</u>
	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	-	34,719
Bank overdrafts	545,708	-
Finance lease liabilities	119,512	104,807
Other borrowings	<u>276,740</u>	<u>103,247</u>
	<u>941,960</u>	<u>242,773</u>

Bank borrowings

The carrying amount of bank loans and overdrafts at the year end is £Nil (2016 - £34,719).

The bank loans and overdrafts are secured by:

1. Debenture charging all of the assets and undertakings of the Borrower.
2. A guarantee and indemnity from Daniel Dixon, Geraldine Dixon & DJ Dixon guaranteeing the Borrower's liabilities in the sum of £2,000,000 together with interest and costs accrued thereon unlimited as to time.

Supported by

- (a) First legal mortgage/charge over the property at 6 Bridge Road, Dunloy
- (b) First legal mortgage/charge over the property at 4 Station Road and Main Street, Dunloy
- (c) First legal mortgage/charge over the property at 165-169 Tullaghans Road, Dunloy
- (d) First legal mortgage/charge over the property at 12-14 Main Street, Dunloy
- (e) First legal mortgage/charge over the leasehold property interest in the property at 11 houses and at 624-634 Glenmanus, Portrush
- (f) First legal mortgage/charge over the property at 6-8 Main Street, Dunloy
- (g) Assignment of the Bank of Level Term Friends Life life policy on the life of DJ Dixon for amount of £750,000
- (h) Assignment of the Bank of Abbey Life Assurance life policy on the life of D Dixon for amount of £23,365
- (i) First legal mortgage/charge over the property at Mullaboy Lane, Bridge Road, Dunloy

3. Deed of Subordination to be executed by all directors in order that any capital and interest payments on any of the loans to Daniel Dixon, Geraldine Dixon or DJ Dixon of Dixon Contractors Ltd will be subordinated in favour of Bank debt.

4. First legal mortgage/charge over the property at site at, 7 Mountpottinger Road, Belfast

Additional Security Required

First legal mortgage/charge over the property at 143 Tullaghans Road, to be held in support of the existing guarantee and indemnity from Daniel Dixon, Geraldine Dixon and DJ Dixon detailed above.

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

24 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	129,121	113,893
Later than one year and not later than five years	71,618	98,809
Later than five years	36,216	61,257
	<u>236,955</u>	<u>273,959</u>

Operating leases

The total of future minimum lease payments is as follows:

	2017 £	2016 £
Not later than one year	32,106	50,642
Later than one year and not later than five years	18,152	25,816
	<u>50,258</u>	<u>76,458</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £56,810 (2016 - £55,065).

25 Dividends

	2017 £	2016 £
Interim dividend of £2.10 (2016 - £7.50) per ordinary share	21,000	75,000

The directors are proposing a final dividend of £Nil (2016 - £Nil) per share totalling £Nil (2016 - £Nil).

Dixons Contractors Ltd

Notes to the Financial Statements for the Year Ended 31 March 2017

26 Related party transactions

Summary of transactions with other related parties

Under common control

Income and receivables from related parties

	Other related parties £
2017	
Sale of goods	3,424,883
Rent of premises and storage facilities	81,000
	<u>3,505,883</u>
Amounts receivable from related party	<u>443,009</u>
	Other related parties £
2016	
Sale of goods	49,465
Rent of premises and storage facilities	81,000
	<u>130,465</u>
Amounts receivable from related party	<u>52,597</u>

Expenditure with and payables to related parties

	Other related parties £
2017	
Purchase of goods	284,488
Amounts payable to related party	<u>112,840</u>
	Other related parties £
2016	
Purchase of goods	84,853
Amounts payable to related party	<u>24,164</u>

Loans to related parties

	Other related parties £
2017	
At start of period	30,000
Advanced	<u>25,000</u>
At end of period	<u>55,000</u>
	Other related parties £
2016	
Advanced	<u>30,000</u>