

Registered number: SC096222

Dunard Limited  
Annual report and financial statements  
for the year ended 31 December 2017

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# **Dunard Limited**

## **Annual report and financial statements for the year ended 31 December 2017**

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## **Directors and advisers**

### **Executive directors**

W S Woof  
C C Grigor

### **Company secretary and registered office**

W S Woof  
  
4 Royal Terrace  
Edinburgh  
EH7 5AB

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
3 Forbury Place  
23 Forbury Road  
Reading  
Berkshire  
RG1 3JH

### **Bankers**

RBS Plc  
1 Spinningfields Square  
Manchester  
M3 3AP

# **Dunard Limited**

## **Directors' report for the year ended 31 December 2017**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2017. This report has been prepared in accordance with the special provisions of part 15, chapter 1 (section 382 and 383) of the Companies Act 2006 relating to small companies.

### **Results and dividends**

The profit for the financial year amounted to £45 (2016: profit £12,414) which will be added to reserves. The directors do not recommend payment of a dividend (2016: £nil).

### **Future Developments**

Due to the nature of the company, the company's directors are confident that the current level of performance will be maintained in the future.

Following the change in the business model in 2015 to provide payroll services on the 'payroll bureau' model no further change to the business is envisaged by the directors.

### **Financial Risk Management**

The company's operations expose it to a variety of financial risks that include the effects of credit risk and liquidity risk. 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 are implemented by the company's finance department.

#### *Credit risk*

The company has implemented policies that require appropriate credit checks on potential customers before they are engaged.

#### *Liquidity risk*

The company actively maintains an appropriate level of debt finance that is designed to ensure that the company has sufficient available funds for operations.

### **Qualifying third party indemnity provisions**

At the time the report is approved there are no qualifying third party indemnity provisions in place for the benefit of one or more of the directors.

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements, are given below:

W S Woof  
C C Grigor

# Dunard Limited

## Directors' report for the year ended 31 December 2017 (continued)

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

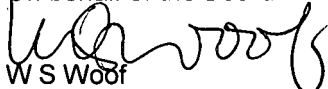
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### Directors' Confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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.

On behalf of the Board



W S Woolf

Director

25 September 2018

# **Dunard Limited**

## **Independent auditors' report to the members of Dunard Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Dunard Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: balance sheet as at 31 December 2017; the statement of comprehensive income for the year then ended, the statement of changes in equity for the year then ended, statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

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

- 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do

## Independent auditors' report to the members of Dunard Limited (continued)

not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors responsibilities in respect of the financial statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### *Auditors' 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 auditors' 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.

# Dunard Limited

## Independent auditors' report to the members of Dunard Limited (continued)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

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.

## Other required reporting

### Companies Act 2006 exception reporting

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.
- We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Katherine Stent (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
25 September 2018



# Dunard Limited

## Statement of Comprehensive Income for the year ended 31 December 2017

	Note	2017 £	2016 £
<b>Turnover</b>	5	<b>2,152,969</b>	2,025,748
Cost of sales		<b>(2,125,253)</b>	(1,993,836)
<b>Gross profit</b>		<b>27,716</b>	31,912
Administrative expenses		<b>(24,302)</b>	(18,002)
<b>Operating profit</b>	6	<b>3,414</b>	13,910
Interest receivable and similar income	8	<b>584</b>	1,670
Interest payable and similar expenses	8	<b>(2,110)</b>	(2,332)
<b>Profit before taxation</b>		<b>1,888</b>	13,248
Tax on profit	9	<b>(1,843)</b>	(834)
<b>Profit for the financial year</b>		<b>45</b>	12,414
<b>Total comprehensive income for the financial year</b>		<b>45</b>	12,414

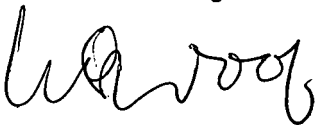
# Dunard Limited

## Balance sheet as at 31 December 2017

	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors	10	1,396,852	1,351,438
Cash at bank and in hand		489,600	428,469
		<b>1,886,452</b>	1,779,907
<b>Creditors – amounts falling due within one year</b>	11	<b>(1,829,428)</b>	(1,722,928)
<b>Net current assets</b>		<b>57,024</b>	56,979
<b>Net assets</b>		<b>57,024</b>	56,979
<b>Capital and reserves</b>			
Called-up share capital	13	99	99
Retained earnings		56,925	56,880
<b>Total equity</b>		<b>57,024</b>	56,979

The notes on pages 11 to 21 are an integral part of these financial statements.

The financial statements on pages 7 to 21 were approved by the board of directors on 25 September 2018 and were signed on its behalf by:



W S Woof  
Director

Dunard Limited  
Registered number: SC096222

# Dunard Limited

## Statement of changes in equity for the year ended 31 December 2017

	Called-up share capital	Retained Earnings	Total equity
	£	£	£
Balance as at 1 January 2016	99	44,466	44,565
Profit for the year	-	12,414	12,414
Total comprehensive income for the year	-	12,414	12,414
Balance as at 31 December 2016	99	56,880	56,979
<b>Balance as at 1 January 2017</b>			
Profit for the year	-	45	45
Total comprehensive income for the year	-	45	45
<b>Balance as at 31 December 2017</b>	<b>99</b>	<b>56,925</b>	<b>57,024</b>

# Dunard Limited

## Statement of cash flows for the year ended 31 December 2017

	Note	2017 £	2016 £
<b>Net cash from operating activities</b>	17	<b>63,486</b>	46,483
Taxation paid		(829)	-
<b>Net cash generated from operating activities</b>		<b>62,657</b>	46,483
<b>Cash flow from investing activities:</b>			
Interest received		584	1,670
<b>Net cash generated from investing activities</b>		<b>584</b>	1,670
<b>Cash flow from financing activities</b>			
Interest paid		(2,110)	(2,332)
<b>Net cash used in financing activities</b>		<b>(2,110)</b>	(2,332)
<b>Net increase in cash at bank and in hand</b>		<b>61,131</b>	45,821
<b>Cash and cash equivalents at the beginning of the year</b>		<b>428,469</b>	382,648
<b>Cash and cash equivalents at the end of the year</b>		<b>489,600</b>	428,469
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		489,600	428,469
<b>Cash and cash equivalents</b>		<b>489,600</b>	428,469

# **Dunard Limited**

## **Notes to the financial statements for the year ended 31 December 2017**

### **1 General Information**

Dunard Limited is a provider of senior management resource and management services.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is 4 Royal Terrace, Edinburgh, EH7 5AB.

### **2 Statement of compliance**

The individual financial statements of Dunard Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### **3 Summary of significant accounting policies**

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. The company has adopted FRS 102 in these financial statements.

#### **Basis of Preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

#### **Going concern**

These financial statements are prepared on a going concern basis as, due to the nature of the business and its relationships with its customers, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

#### **Turnover, accrued and deferred income**

Turnover, which excludes value added taxes, represents the amount receivable for management services provided and is recognised as the services are performed. Turnover is measured at the fair value of the consideration received or receivable. Differences between amounts receivable and income recognised are included within accrued or deferred income.

# **Dunard Limited**

## **Notes to the financial statements for the year ended 31 December 2017 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Foreign currency translation**

##### **(i) Functional and presentation currency**

The Company's functional and presentation currency is the pound sterling.

##### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Foreign exchange gains and losses that relate to cash at bank and in hand are presented in the statement of comprehensive income within interest payable or receivable.

#### **Employee benefits**

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

##### **(i) Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### **(ii) Pension costs**

###### **a. Defined contribution pension plans**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered fund.

###### **b. Multi-employer pension plan**

Retirement benefits for certain employees are provided by defined benefit schemes operated by other companies. In that case the company is a member of a multi-employer plan. Where it is not possible for the company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

## 3 Summary of significant accounting policies (continued)

Where the plan is in deficit the company has not agreed, with the plan, to participate in a deficit funding arrangement, all deficit is covered by other companies – participants of the pension plan. Therefore the company doesn't recognise a liability for this obligation.

### Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

#### (i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### (ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

### Operating lease

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Expenditure on operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

### Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within creditors in current liabilities.

# **Dunard Limited**

## **Notes to the financial statements for the year ended 31 December 2017 (continued)**

### **3 Summary of significant accounting policies (continued)**

#### **Called-up share capital**

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

#### **Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### **(i) Financial assets**

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 the statement of comprehensive income.

If there is 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 the statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### **(ii) Financial liabilities**

Basic financial liabilities, including trade and other payables, loans from other 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 receipts discounted at a market rate of interest.

Trade payables and debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Accounts payable and loans are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.



## 3 Summary of significant accounting policies (continued)

### Financial instruments (continued)

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. Notes to the financial statements for the year ended 31 December 2017.

#### (iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an 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 to liability simultaneously.

## 4 Critical accounting estimates and assumptions

### Critical judgements and estimates in applying the accounting policies

In the application of the Company's accounting policies which are described in note 3, the directors are required to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

### Critical judgements in applying the entity's accounting policies

#### Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other companies in the region. In the judgment of the directors, the company does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 15 for further details.

#### Impairment of trade receivables

The company makes an estimate of the recoverable value of trade debtors. When assessing impairment of trade receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

# Dunard Limited

## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 5 Turnover

Turnover is derived from the company's only principal activity which principally arose in the UK. Turnover is derived from one class of business which was the provision of payroll services.

### 6 Operating profit

	2017 £	2016 £
<b>Operating profit is stated after charging</b>		
Wages and salaries	1,704,791	1,595,941
Social security costs	143,013	137,072
Other pension costs (Note 15)	43,966	47,219
<b>Staff costs</b>	<b>1,891,770</b>	<b>1,780,232</b>
Operating lease charges:		
- plant and machinery	6,431	8,557
- others	75,319	68,679
Services provided by the company's auditors:		
- fees payable for the audit of the financial statements	14,800	14,500
- fees payable for other services: Tax compliance	10,000	10,000

### 7 Employees and directors

#### Employees

The average number of persons by month (including executive directors) employed by the company during the year was 16 (2016: 15). All employees were engaged in the provision of management services.

#### Directors' emoluments

	2017 £	2016 As Restated £
Aggregate emoluments	-	-

During the year the nature of services provided by the Directors were reconsidered and it was determined that the emoluments received by the Directors were all charged out as services to other companies and none are considered directly attributable to their services as statutory directors of Dunard. As such the prior year comparative has been restated accordingly.

# Dunard Limited

## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 7 Employees and directors (continued)

#### Key management compensation

All employees considered to be key management are directors of the company.

### 8 Net Interest expense

	2017 £	2016 £
Bank interest received	584	1,670
Bank overdraft interest charged	(2,110)	(2,332)
Net interest expense	(1,526)	(662)

### 9 Tax on profit

	2017 £	2016 £
Current tax:		
UK corporation tax on profits of the year	652	1,590
Adjustments in respect of prior years	1,191	(756)
Total current tax	1,843	834
Total deferred tax (note 12)	-	-
<b>Tax on profit</b>	<b>1,843</b>	<b>834</b>

#### Reconciliation of tax charge

Tax assessed for the year is lower (2016: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2017 of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
<b>Profit before taxation</b>	<b>1,888</b>	<b>13,248</b>
Profit before taxation multiplied by the standard rate of tax in the UK of 19.25% (2016 20%)	363	2,650
Effects of:		
Expenses not deductible for tax purposes	289	(1,060)
Adjustments in respect of prior years	1,191	(756)
<b>Tax charge/(credit) for the year</b>	<b>1,843</b>	<b>834</b>

# Dunard Limited

## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 9 Tax on profit (continued)

#### Tax rate changes

The standard rate of corporation tax for the year was 19.25%. Accordingly, the company's profits for this accounting period are taxed at this rate.

Changes in the UK corporation tax rate were substantively enacted as part of Finance Act 2016 on 6 September 2016. This includes a reduction to the main rate of corporation tax from 19% to 17% from 1 April 2020. Deferred tax at the 31 December 2017 balance sheet date has been measured to reflect the latest enacted rates.

### 10 Debtors

	2017 £	2016 £
Trade & other debtors	730,113	968,590
Corporation tax	-	324
Prepayments and accrued income	666,739	382,524
	<b>1,396,852</b>	<b>1,351,438</b>

Trade debtors are stated after provisions for impairment of £nil (2016: £nil).

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

	2017 £	2016 £
Trade creditors	4,925	3,688
Loan	400,000	400,000
Taxation and social security	176,565	182,052
Corporation Tax	690	-
Accruals and deferred income	1,247,248	1,137,188
	<b>1,829,428</b>	<b>1,722,928</b>

The loan is unsecured, repayable on demand and is non-interest bearing.

# Dunard Limited

## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 12 Deferred tax asset

There are no potential deferred tax asset, which has not been recognised in the financial statements on the basis that the directors do not believe it will be realised within the foreseeable future.

### 13 Called up share capital

	2017 £	2016 £
<b>Authorised</b>		
100 ordinary shares of £1 each (2016: 100 ordinary shares)	100	100
<b>Allotted and fully paid</b>		
99 ordinary shares of £1 each (2016: 99 ordinary shares)	99	99

### 14 Financial commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2017 £	2016 £
<b>Payments due</b>		
In more than one year, but not more than five years	9,000	8,300

# Dunard Limited

## Notes to the financial statements for the year ended 31 December 2017 (continued)

### 15 Pension commitments

Retirement benefits for the company's employees are provided by pension schemes operated by other companies, the principal ones of which are the defined benefit schemes of Edmundson Electrical Limited and Amari Plastics Plc. More detailed descriptions of each of these schemes are given in the latest financial statements of each of the above companies, available from the Registrar of Companies, Companies House, Cardiff, CF4 3UZ.

The assets of the schemes are held separately under trust from those of each company. Since more than one employer participates in the above schemes, it is not possible to identify the share of underlying assets and liabilities in the funds relating to the individual participating employer. As such, the company treats its liabilities to the funds as if the schemes were defined contribution schemes. The cost to the company in respect of the schemes is therefore equal to the actual contributions payable to the schemes during the year, and this cost has been recognised within operating profit in the profit and loss account.

The pension charge for the year for Dunard Limited employees in respect of the schemes, all of which was recharged, amounted to £43,966 (2016: £47,219).

The company is not liable to the plan for other entities obligations or for covering a deficit relating to past service. Therefore no liability was recognised with regards to that obligation in these financial statements.

### 16 Financial instruments

The company has the following financial instruments:

	2017 £	2016 £
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	730,113	968,590
	730,113	968,590
Financial Liabilities measured at amortised cost		
Trade creditors	4,925	3,688
Loan	400,000	400,000
	404,925	403,688

### 17 Notes to the cash flow statement

#### Reconciliation of operating profit to net cash inflow from operating activities

	2017 £	2016 £
Profit for the financial year	45	12,414
Tax on profit	1,843	834
Net interest expense	1,526	662
Operating profit	3,414	13,910
(Increase) / decrease in debtors	(45,738)	(147,064)
Increase / (decrease) in creditors	105,810	179,637
Net cash inflow from operating activities	63,486	46,483

# **Dunard Limited**

## **Notes to the financial statements for the year ended 31 December 2017 (continued)**

### **18 Ultimate controlling party**

In the opinion of the directors there is no ultimate controlling party. 33 Ordinary shares (33%) are held by Mr K W Colburn, 33 (33%) ordinary shares are held by Mr R W Colburn and 33 (33%) ordinary shares are held by C C Grigor.

### **19 Related party transactions**

See note 7 for disclosure of the directors' remuneration and key management compensation.