

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

FRIDAY



A6A64V8Z

A10

07/07/2017

#375

COMPANIES HOUSE

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

COMPANY INFORMATION

Directors	D H Danaher B V Danaher R W Fitzjohn I M Gilbert
Company secretary	S Danaher
Registered number	03951818
Registered office	20 Granite Way Mountsorrel Loughborough Leicestershire LE12 7TZ
Independent auditors	PKF Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Statement of comprehensive income	6
Balance sheet	7
Notes to the financial statements	8 - 21

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

Introduction

The principal activity of the company continued to be that of civil engineering.

Business review

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

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the end of the year. Our review is consistent with the size and nature of our business and is written in the context of our known risks and uncertainties. We consider that our key financial performance indicators, turnover and margins, are those that communicate the financial performance and strength of the company.

The company is a major small to medium sized contractor (SME) in the Midlands and has been established for over 45 years. The business strategy for the 3 year period to 2018 is being closely followed and this is having a positive impact on turnover. The strategy continues the current development of the company with a focus on growing profitability.

The company continues to operate in a highly competitive market and we are constantly looking at ways in which to improve our profitability. Frameworks provided 33% of turnover in the year. It is an objective in our Business Plan to secure at least 40% of our turnover with frameworks and 30% with negotiated contracts.

Principal risks and uncertainties

As for many businesses of our size the trading climate remains challenging; however the Company's sales continue to grow as a result of a focus on business development activities in line with our strategic goals. The company makes little use of financial instruments other than an operational bank account, and its trade is exclusively within the UK and transacted in UK sterling. Accordingly, in the opinion of the directors, the exposure to price risk, credit risk, liquidity risk, and cash flow risk is not a significant matter in terms of the assessment of the assets, liabilities, financial position and profit or loss of the group.

Financial key performance indicators

Turnover has increased in the year to 31 March 2017 by 88.6% to £16.9 million. Gross profit has increased by 12.2% to £2.9 million and profit before tax has decreased to £0.4 million, a decrease of 14.1%. The outlook for the coming year is for a similar levels of turnover. The company will focus on increasing gross profit margin, however we expect the downward pressure on these to continue in a very competitive market environment. Increased expenditure on overhead costs associated with the growth in activity levels will mean that increases in profit before tax will, in the short term, be challenging to achieve. All efforts will be exerted in order to maximise margins wherever possible.

This report was approved by the board and signed on its behalf.



D H Danaher
Director

Date: 13.06.2017

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

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' responsibilities statement

The directors are responsible for preparing the strategic report, the 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Results and dividends

The profit for the year, after taxation, amounted to £346,863 (2016: £400,255).

Dividends paid during the year amounted to £300,000 (2016: £200,000). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

D H Danaher
B V Danaher
R W Fitzjohn
I M Gilbert

Future developments

The directors do not foresee any changes to the principal activities of the company.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board and signed on its behalf.



D H Danaher
Director

Date: 13.06.2017

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

We have audited the financial statements of Danaher & Walsh (Civil Engineering) Limited for the year ended 31 March 2017, set out on pages 6 to 21. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors' 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 auditors

As explained more fully in the directors' responsibilities statement 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Councils 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 strategic report and the directors' 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 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.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DANAHER & WALSH (CIVIL ENGINEERING) LIMITED (CONTINUED)

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 the directors report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the group and parent 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.

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.



Andrew Timms (Senior Statutory Auditor)

for and on behalf of
PKF Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date:

12.6.2017

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	2017 £	2016 £
Turnover	3	16,890,187	8,955,268
Cost of sales		(13,947,021)	(6,392,150)
Gross profit		<u>2,943,166</u>	<u>2,563,118</u>
Administrative expenses		(2,512,868)	(2,063,046)
Operating profit	4	<u>430,298</u>	<u>500,072</u>
Interest payable and similar charges	7	(894)	-
Profit on ordinary activities before tax		<u>429,404</u>	<u>500,072</u>
Tax on profit on ordinary activities	8	(82,541)	(99,817)
Profit for the financial year		<u><u>346,863</u></u>	<u><u>400,255</u></u>
 Retained earnings at the beginning of the year		 2,034,258	 1,834,003
Profit for the year		346,863	400,255
Dividends paid		(300,000)	(200,000)
Retained earnings at the end of the year		<u><u>2,081,121</u></u>	<u><u>2,034,258</u></u>

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 8 to 21 form part of these financial statements.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED
REGISTERED NUMBER: 03951818

BALANCE SHEET
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	10	335,711	109,848
		<u>335,711</u>	<u>109,848</u>
Current assets			
Stocks	11	16,531	3,394
Debtors	12	4,280,053	3,021,484
Cash at bank		1,120,172	946,415
		<u>5,416,756</u>	<u>3,971,293</u>
Creditors: amounts falling due within one year	13	(3,535,988)	(2,027,109)
Net current assets		<u>1,880,768</u>	<u>1,944,184</u>
Total assets less current liabilities		<u>2,216,479</u>	<u>2,054,032</u>
Creditors: amounts falling due after more than one year	14	(102,084)	-
Provisions for liabilities			
Deferred tax	16	(33,273)	(19,773)
		<u>(33,273)</u>	<u>(19,773)</u>
Net assets		<u>2,081,122</u>	<u>2,034,259</u>
Capital and reserves			
Called up share capital	17	1	1
Profit and loss account	18	2,081,121	2,034,258
Shareholders' funds		<u>2,081,122</u>	<u>2,034,259</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



D H Danaher
Director

Date: 13.06.2017

The notes on pages 8 to 21 form part of these financial statements.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

1.1 Basis of preparation of financial statements

Danaher and Walsh (Civil Engineering) Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed on the company information page.

The financial statements are prepared in Sterling (£). The financial statements are for the year ended 31 March 2017 (2016: year ended 31 March 2016).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement, complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following accounting policies have been applied:

1.2 Disclosure exemptions

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under the standard in relation to the presentation of a cash flow and the aggregate remuneration of key management personnel (other than directors emoluments). Where required, equivalent disclosures are given in the group accounts of Danaher & Walsh Group Limited. The group accounts for Danaher & Walsh Group Limited are available to the public and can be obtained as set out in note 22.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, which is net of value added tax and trade discounts. Turnover represents the value of contract work done in the year and is recognised at the point at which the company has fulfilled its contractual obligations, and the risks and rewards have been transferred to the customer.

1.4 Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total costs for that contract. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Amounts recoverable on contract are included within debtors and are stated at cost plus attributable profit less any foreseeable losses.

Payments received in excess of amounts recoverable are included within creditors.

The amount of long-term contracts, at costs incurred, net of amounts transferred to cost of sales, after deducting foreseeable losses and payments on account not matched with turnover, is included in work in progress.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.5 Operating leases

Rentals paid under operating leases are charged to the change of statement of comprehensive income on a straight line basis over the period of the lease.

1.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is de-recognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives on the following basis:

Plant and equipment	- 14.3% and 20% on cost per annum
Motor vehicles	- 20% on cost per annum
Fixtures and fittings	- 20%, 33% and 50% on cost per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

At each balance sheet date, the directors review the carrying amounts of tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.8 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.9 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

1.10 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.11 Pensions

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 payments obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

1.12 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

1.13 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. Accounting policies (continued)

1.14 Current and deferred taxation

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The directors make estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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.

Depreciation and residual values

The directors have reviewed the asset lives and associated residual values of all fixed asset classes, and have concluded that asset lives and residual values are appropriate.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and project disposal values.

Impairment of non-current assets

The directors assess the impairment of tangible fixed assets subject to depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant underperformance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

Recoverability of trade and other debtors

Trade and other debtors are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

**2. Judgements in applying accounting policies and key sources of estimation uncertainty
(continued)**

Taxation

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and director's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

Recognition of profit on long term contracts

Profit recognition is based on an assessment of the overall profitability forecast on individual contracts. Losses are recognised as soon as they are foreseen. Profits are recognised by the directors when the outcome of the contract can be assessed with reasonable certainty. The profit recognised reflects that part of the total profit currently estimated to arise over the duration of the contract that fairly represents the profit attributable to work performed at the accounting.

Leases

The directors determine whether leases entered into are an operating lease or a finance lease. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the company on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. Turnover

The whole of the turnover is attributable to the company's principal activity.

All turnover arose within the United Kingdom.

4. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets held under finance	11,785	-
Depreciation of tangible fixed assets owned	56,665	56,538
Other operating lease rentals	136,610	109,839
	<u>198,060</u>	<u>166,377</u>

The audit fees are borne by the parent company, Danaher & Walsh Group Limited.

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2017	2016
	£	£
Wages and salaries	2,191,876	1,892,574
Social security costs	253,242	214,391
Cost of defined contribution scheme	70,530	78,671
	<u>2,515,648</u>	<u>2,185,636</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2017	2016
	No.	No.
Production	43	39
Administrative	10	8
Management	2	2
	<u>55</u>	<u>49</u>

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. Directors' remuneration

	2017	2016
	£	£
Directors' emoluments	161,945	127,326
Directors' pension costs	16,596	30,886
	<u>178,541</u>	<u>158,212</u>

During the year retirement benefits were accruing to 2 directors (2016: 2) in respect of defined contribution pension schemes.

In addition to the above, during the year certain directors were remunerated by the parent company, Danaher & Walsh Group Limited.

7. Interest payable and similar charges

	2017	2016
	£	£
Finance leases and hire purchase contracts	894	-
	<u>894</u>	<u>-</u>

8. Taxation

	2017	2016
	£	£
Corporation tax		
Current tax on profits for the year	69,041	25,116
Group taxation relief	-	81,450
Total current tax	<u>69,041</u>	<u>106,566</u>
Deferred tax		
Origination and reversal of timing differences	13,500	(6,749)
Taxation on profit on ordinary activities	<u>82,541</u>	<u>99,817</u>

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

8. Taxation (continued)

Factors affecting tax charge for the year

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

	2017 £	2016 £
Profit on ordinary activities before tax	429,404	500,072
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016: 20%)	85,881	100,014
Effects of:		
Expenses not deductible for tax purposes	335	2,000
Adjustment to closing rate of deferred tax	(3,675)	(2,197)
Group relief claimed	-	(81,450)
Payment for group relief	-	81,450
Total tax charge for the year	82,541	99,817

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

9. Dividends

	2017 £	2016 £
Dividend paid on ordinary shares	300,000	200,000

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

10. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost				
At 1 April 2016	15,210	173,980	86,127	275,317
Additions	-	261,697	32,706	294,403
At 31 March 2017	<u>15,210</u>	<u>435,677</u>	<u>118,833</u>	<u>569,720</u>
Depreciation				
At 1 April 2016	14,340	100,716	50,413	165,469
Charge for the year	870	44,199	23,471	68,540
At 31 March 2017	<u>15,210</u>	<u>144,915</u>	<u>73,884</u>	<u>234,009</u>
Net book value				
At 31 March 2017	<u>-</u>	<u>290,762</u>	<u>44,949</u>	<u>335,711</u>
At 31 March 2016	<u>870</u>	<u>73,264</u>	<u>35,714</u>	<u>109,848</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2017 £	2016 £
Plant and machinery	<u>181,951</u>	<u>-</u>
	<u>181,951</u>	<u>-</u>

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11. Stocks

	2017	2016
	£	£
Raw materials	16,531	3,394
	<u>16,531</u>	<u>3,394</u>

Purchases recognised in cost of sales during the year as an expense was £3,703,421 (2016: £2,234,860).

12. Debtors

	2017	2016
	£	£
Trade debtors	717,046	761,344
Amounts owed by group undertakings	1,357,232	1,366,350
Other debtors	454,217	206,592
Prepayments and accrued income	43,798	26,728
Amounts recoverable on long term contracts	1,707,760	660,470
	<u>4,280,053</u>	<u>3,021,484</u>

An impairment loss of £15,322 (2016: £997) was recognised in administrative expenses against trade debtors.

13. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	3,140,739	1,436,292
Amounts owed to group undertakings	806	3,766
Corporation tax	69,041	25,116
Other taxation and social security	79,951	236,681
Obligations under finance lease and hire purchase contracts	57,417	-
Other creditors	1,028	32,077
Accruals and deferred income	187,006	293,177
	<u>3,535,988</u>	<u>2,027,109</u>

Net obligations under finance leases and hire purchase contracts are secured on the asset to which they relate.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

14. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Net obligations under finance leases and hire purchase contracts	102,084	-
	<u>102,084</u>	<u>-</u>

Net obligations under finance leases and hire purchase contracts are secured on the asset to which they relate.

15. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017	2016
	£	£
Within one year	58,447	-
Between 1-2 years	59,795	-
Between 2-5 years	41,259	-
	<u>159,501</u>	<u>-</u>

Net obligations under finance leases and hire purchase contracts are secured on the asset to which they relate.

16. Deferred taxation

	2017
	£
At beginning of year	19,773
Charged to statement of comprehensive income	13,500
At end of year	<u><u>33,273</u></u>

The provision for deferred taxation is made up as follows:

	2017	2016
	£	£
Accelerated capital allowances	<u>33,273</u>	<u>19,773</u>

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

17. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

18. Reserves

Share Capital

Share Capital represents the nominal value of shares that have been issued.

Profit and loss account

This reserve represents all current and prior period retained profit and losses less dividends paid.

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the schemes and amounted to £75,535 (2016: £78,671). No contributions were payable to the fund at the balance sheet date (2016: £Nil).

20. Commitments under operating leases

At 31 March 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	78,672	112,194
Later than 1 year and not later than 5 years	58,068	102,796
	<u>136,740</u>	<u>214,990</u>

21. Related party transactions

Advantage has been taken of the exemption provided by FRS 102 Section 33.1A not to disclose transactions with fellow group companies and disclosure on Key management personnel as all subsidiary undertakings are wholly owned by the ultimate controlling entity of the group.

DANAHER & WALSH (CIVIL ENGINEERING) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

22. Ultimate parent undertaking and controlling party

The immediate and ultimate parent company undertaking is Danaher & Walsh Group Limited, which is registered in England and Wales.

The largest and smallest group in which the results of this company are consolidated is that headed by Danaher & Walsh Group Limited. Consolidated accounts are available from Companies House, Crown Way, Maindy, Cardiff.

The ultimate controlling parties are considered to be B V Danaher and D H Danaher, by virtue of their interest in the issued share capital of Danaher & Walsh Group Limited.