

Registration number 04636673

Dawnus Sierra Leone Limited

Report and financial statements for the year ended 31 December 2013

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Dawnus Sierra Leone Limited

Company information

Directors	R.G. Jones B. Dalling A.G. Peters M.G. Condon T.A. Lowe
Secretary	T.A. Lowe
Registered office	Unit 7, Dyffryn Court Riverside Business Park Swansea Vale Swansea SA7 0AP
Independent auditors	PricewaterhouseCoopers LLP Llys Tawe Kings Road SA1 Swansea Waterfront Swansea SA1 8PG
Bankers	Lloyds TSB Bank plc Carlyle House 5 Cathedral Road Cardiff CF11 9RH

Dawnus Sierra Leone Limited

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Dawnus Sierra Leone Limited

Strategic report for the year ended 31 December 2013

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

Review of business and future development

The profit and loss account for the year is set out on page 6.

Despite tough trading conditions prevailing in 2013 the business has had a satisfactory year and is well placed to build on these results.

During 2014 and future years, the company will continue to focus on securing large civil engineering contracts and will continue to employ its own labour force and plant in order to maximise quality and delivery, minimise costs and optimise health & safety considerations. Further projects are being developed in Africa and it is anticipated that the success in increasing turnover and profitability achieved in 2013 will be sustained in 2014.

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

Results and dividends

The profit and loss account for the year is disclosed on page 6.

The directors do not recommend the payment of a dividend.

By order of the Board



R.G. Jones
Director

Dawnus Sierra Leone Limited

Directors' report for the year ended 31 December 2013

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

Principal activity

The principal activities of the company are building and civil engineering undertaken in Sierra Leone. Contracts commenced in 2010 and the directors are of the opinion that the contracts will enable the company to continue to increase both its level of activity and profitability for the foreseeable future.

The company is a wholly owned subsidiary of Dawnus International Limited.

Directors

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

R.G. Jones
B. Dalling
A.G. Peters
T.A. Lowe
M.G. Condon

Financial risk management objectives and policies / principal risks and uncertainties

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

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dawnus Sierra Leone Limited

Statement of disclosure of information to auditors

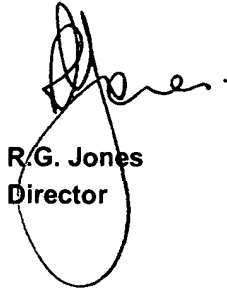
As far as the directors are aware:

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

Independent auditors

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

By order of the Board



R.G. Jones
Director

Dawnus Sierra Leone Limited

Independent auditors' report to the members of Dawnus Sierra Leone Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

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

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

What we have audited

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

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

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Dawnus Sierra Leone Limited

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

Directors' remuneration

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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



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

Dawnus Sierra Leone Limited

Registration number 04636673

Profit and loss account for the year ended 31 December 2013

	Notes	2013 £'000	2012 £'000
Turnover	2	80,124	65,795
Cost of sales		(61,731)	(52,772)
Gross profit		18,393	13,023
Administrative expenses		(8,326)	(6,171)
Other operating income		5	154
Operating profit		10,072	7,006
Interest payable and similar charges		(23)	(1)
Profit on ordinary activities before taxation	3	10,049	7,005
Tax on profit on ordinary activities	4	(2,368)	(1,867)
Profit for the financial year	9	7,681	5,138

All operations are continuing.

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

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


Dawnus Sierra Leone Limited

Registration number 04636673

Balance sheet as at 31 December 2013

	Note	2013 £'000	2012 £'000
Current assets			
Debtors	6	15,995	14,657
Cash at bank and in hand		8,339	6,065
		24,334	20,722
Creditors: amounts falling due within one year	7	(12,264)	(15,583)
Net current assets		12,070	5,139
Total assets less current liabilities		12,070	5,139
Net assets		12,070	5,139
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account	9	12,070	5,139
Total Shareholders' funds	10	12,070	5,139

The financial statements were approved by the board on 22 May 2014 and signed on its behalf by:


R.G. Jones
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

Dawnus Sierra Leone Limited

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

1. Accounting policies

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

Cash flow statement and related party disclosures

The cash flows of the business are included in the consolidated financial statements of Dawnus Group Limited which are publicly available. Consequently, the company has taken advantage of the exemption afforded by the Companies Act 2006 from preparing a cash flow statement. The company is also exempt from disclosing related party transactions with entities that are part of the Dawnus Group Limited group of companies of which Dawnus Group Limited is the ultimate parent company for the company and other members of the group.

Turnover and amounts recoverable on contracts

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

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

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

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

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Dawnus Sierra Leone Limited

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

Deferred taxation

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

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

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

2. Turnover

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

3. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:	2013	2012
	£'000	£'000
Auditors' remuneration	9	9
Gain on foreign currency retranslation	5	154

The company has no employees other than the directors.

Directors' emoluments

	2013	2012
	£000	£000
Aggregate emoluments	191	191
Pension contributions	4	4
	195	195

	2013	2012
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	1	1

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

4. Tax on profit on ordinary activities

Analysis of charge in year	2013 £'000	2012 £'000
Current tax		
UK corporation tax	2,276	1,714
Overseas tax	92	153
Total current tax charge	2,368	1,867

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

	2013 £000	2012 £000
Profit on ordinary activities before taxation	10,049	7,005
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24.50%)	2,336	1,716
Effects of:		
Other timing differences	(60)	(2)
Overseas tax	92	153
Current tax charge for the year	2,368	1,867

5. Dividends

	2013 £'000	2012 £'000
Dividends totalling £375,000 (2012: £Nil) per ordinary share were declared and paid during the year	750	-
	750	-

6. Debtors

	2013 £'000	2012 £'000
Trade debtors	3,942	7,672
Amounts receivable on long term contracts	7,649	-
Amounts owed by related group undertakings	4,393	6,581
Prepayments	11	404
	15,995	14,657

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

7. Creditors: amounts falling due within one year

	2013 £'000	2012 £'000
Payments received on account	9,628	11,273
Amounts owed to related group undertakings	-	-
Corporation tax	485	1,316
Other taxation and social security	133	49
Accruals	2,018	2,945
	12,264	15,583

8. Share capital

	2013	2012
Allotted and called up		
2 (2012:2) shares of £1 each	2	2

9. Profit and loss account

	2013 £'000
At 1 January 2013	5,139
Profit for the year	7,681
Dividends paid	(750)
At 31 December 2013	12,070

10. Statement of movement in shareholders' funds

	2013 £'000	2012 £'000
Shareholders' funds brought forward	5,139	1
Profit for the year	7,681	5,138
Dividends paid	(750)	-
Shareholders' funds carried forward	12,070	5,139

11. Contingent liability

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

12. Ultimate parent undertaking and controlling party

The immediate parent company is Dawnus International Limited, which is 100% owned by Dawnus Group Limited. The ultimate parent company and controlling party is Dawnus Group Limited which is the parent company of the largest and smallest group to consolidate these financial statements. Copies of the Dawnus Group Limited consolidated financial statements can be obtained from the Company Secretary at Unit 7, Dyffryn Court, Riverside Business Park, Swansea Vale, Swansea, SA7 0AP.