

Company Registration No. 02670127 (England and Wales)

DANNY SULLIVAN & SONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

Riordan O'Sullivan & Co
Chartered Certified Accountants & Statutory Auditors
40 Chamberlayne Road
London
NW10 3JE

DANNY SULLIVAN & SONS LIMITED

COMPANY INFORMATION

Directors	Daniel O'Sullivan Timothy O'Sullivan Michael Dowling Dave Saxton
Secretary	Michael Dowling
Company number	02670127
Registered office	22 Barretts Green Road Park Royal London NW10 7AE
Auditors	Riordan O'Sullivan & Co Chartered Certified Accountants & Statutory Auditors 40 Chamberlayne Road London NW10 3JE
Bankers	Allied Irish Bank (GB) 202-204 Finchley Road Hampstead London NW3 6BX

DANNY SULLIVAN & SONS LIMITED

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DANNY SULLIVAN & SONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2017

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

Review of the business and future prospects

The company had another successful year achieving profits of 7.9% after tax on turnover of £80.7 million. Pricing remained challenging in a competitive market and costs continue to rise especially so in trades' wages but nevertheless the directors consider these results to be satisfactory.

We continue to work on some of the largest construction and infrastructure projects currently in progress in the United Kingdom. Profit margins in the current year remain very demanding in a highly competitive market with aggressive tendering and increasing costs. However, our order book is healthy and we continue to expect the strength of our company and our dedicated and experienced team and reputation in our sector to continue to deliver a consistent and efficient service to our longstanding customers and to generate an acceptable level of profitable business for the foreseeable future.

Key performance indicators

The key financial highlights for the last four years are follows:

		2017	2016	2015	2014
		£'000	£'000	£'000	£'000
Turnover	£'000	80,708	63,659	69,504	76,628
Profit after tax	£'000	6,401	2,897	2,545	2,328
Profit margin after tax	%	7.93	4.55	3.66	3.04
Balance sheet strength	£'000	5,860	3,259	4,163	5,118

Principal risks and uncertainties

The principal risks for our company are similar to most companies and industry sectors, namely the state of the economy and related global issues. We are dependent on the general economic environment and on the sector of the construction industry in which we operate.

Whilst business confidence improved during the year the continuing severe competitive meant pricing margins continue to be challenging.

However, we have a significant order book, we continue to receive new enquiries and the directors are confident that sufficient profitability will be generated to maintain and enhance the company, thus protecting the strong balance sheet that has been accumulated to date and which will enable us to continue to provide an excellent and reliable service to our customers.

Financial instruments, credit, liquidity and interest rate risk

The company does not have any complex financial instruments or hedging products and neither does it have any borrowings or hire purchase liabilities. Therefore interest rate fluctuation do not present a significant risk to the business. Its principal financial instruments are trade debtors and trade creditors.

The company's credit and liquidity risks are entirely attributable to its trade debtors. As the financial statements show we maintain a strong balance sheet and we have a good mix of long standing blue chip customers and a modern and efficient financial and management reporting system that monitor our day to day operational risk.

Going concern

The company has a strong balance sheet with adequate liquidity, a healthy order book from long standing customers and no borrowing. Thus the directors are confident that the company can continue to trade successfully for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2.2 of the financial statements.

DANNY SULLIVAN & SONS LIMITED

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 JULY 2017

Health and safety at work

The directors and senior managers aided by our dedicated in-house health and safety director and professionals continue to strive to embed best health and safety policies, practices and awareness throughout our operations. A similar rigorous approach is adapted with environmental issues and we strongly support the health and safety and environmental policies of our customers and the construction industry generally.

We have the following accreditations: OHSAS18001, ISO 9001, ISO 14001, CHAS, RISQS, Building Confidence and UVDB.

Our people, training and employee involvement

The company's success is attributable to our team of skilled, experienced and dedicated directors, management, trades and support staff. Our short chain of command keeps us close to our employees at all times. Our employees are constantly updated with regard to company activity, performance, quality control, training, health and safety, environmental issues and future prospects.

We continue to invest in the training and development of our staff so that we retain the recognised skills, talents and experience required to deliver best service to our valued customers. We continue to employ and sponsor trainees in the various disciplines in our sector.

We remain an equal opportunity employer, we are opposed to all forms of discrimination and fair consideration is given to applications for employment without reference to age, ethnicity, gender, religion, sexual orientation, maternity or marital status. Similarly, fair consideration is given to applications for employment by disabled persons having regard to particular aptitudes and abilities.

Approval

This report was approved by the board on 13 April 2018 and signed on its behalf by:

Timothy O'Sullivan
Director

DANNY SULLIVAN & SONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2017

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

Principal activities

The principal activity of the company during the year remained that of resourcing, assessing, training and supplying site professional and skilled trades and labourers to the building and civil engineering industry.

Directors

The directors who served the company during the year were as follows:

Daniel O'Sullivan

Timothy O'Sullivan

Patrick Riordan

(Resigned 31 March 2017)

Michael Dowling

Dave Saxton

Results and dividends

The results for the year are set out on page 7.

Interim dividends were paid during the year amounting to £3,800,000. The directors do not recommend payment of a final dividend.

Auditors

The auditors, Riordan O'Sullivan & Co, Chartered Certified Accountants & Statutory Auditors, are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and 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;
- 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.
The directors are responsible for the maintenance and integrity of the company website.

DANNY SULLIVAN & SONS LIMITED

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 JULY 2017

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments, principal risks and uncertainties.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

This report was approved by the board on 13 April 2018 and signed on its behalf by:

Timothy O'Sullivan
Director

DANNY SULLIVAN & SONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DANNY SULLIVAN & SONS LIMITED

Opinion

We have audited the financial statements of Danny Sullivan & Sons Limited (the 'company') for the year ended 31 July 2017 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

DANNY SULLIVAN & SONS LIMITED

INDEPENDENT AUDITOR'S REPORT (continued) TO THE MEMBERS OF DANNY SULLIVAN & SONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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
- 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Patrick McNamara (Senior Statutory Auditor)
for and on behalf of Riordan O'Sullivan & Co
Chartered Certified Accountants & Statutory Auditors
40 Chamberlayne Road
London
NW10 3JE

13 April 2018

DANNY SULLIVAN & SONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2017

		2017	2016
	Notes	£	£
Turnover	4	80,708,370	63,658,529
Cost of sales		(68,654,262)	(55,741,332)
Gross profit		<u>12,054,108</u>	<u>7,917,197</u>
Administrative expenses		(4,345,189)	(4,132,206)
Operating profit	5	<u>7,708,919</u>	<u>3,784,991</u>
Interest receivable and similar income	9	4,533	10,027
Interest payable and similar expenses	10	(2,777)	(1,222)
Profit before taxation		<u>7,710,675</u>	<u>3,793,796</u>
Taxation	11	(1,310,011)	(896,947)
Profit for the financial year		<u><u>6,400,664</u></u>	<u><u>2,896,849</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

DANNY SULLIVAN & SONS LIMITED

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

	2017 £	2016 £
Profit for the year	6,400,664	2,896,849
Other comprehensive income	-	-
Total comprehensive income for the year	<u>6,400,664</u>	<u>2,896,849</u>

DANNY SULLIVAN & SONS LIMITED

BALANCE SHEET AS AT 31 JULY 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		540,867		288,027
Current assets					
Debtors	14	14,851,664		13,541,999	
Cash at bank and in hand		5,041,606		4,130,289	
		<u>19,893,270</u>		<u>17,672,288</u>	
Creditors: amounts falling due within one year	15	<u>(14,527,868)</u>		<u>(14,688,903)</u>	
Net current assets			<u>5,365,402</u>		<u>2,983,385</u>
Total assets less current liabilities			<u>5,906,269</u>		<u>3,271,412</u>
Provisions for liabilities	18		<u>(46,165)</u>		<u>(11,972)</u>
Net assets			<u><u>5,860,104</u></u>		<u><u>3,259,440</u></u>
Capital and reserves					
Called up share capital	20		100,000		100,000
Profit and loss reserves			<u>5,760,104</u>		<u>3,159,440</u>
Shareholders' funds			<u><u>5,860,104</u></u>		<u><u>3,259,440</u></u>

The financial statements were approved by the board of directors and authorised for issue on 13 April 2018 and are signed on its behalf by:

Michael Dowling
Director

Company Registration No. 02670127

DANNY SULLIVAN & SONS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2017**

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 August 2015		100,000	4,062,591	4,162,591
Year ended 31 July 2016:				
Profit and total comprehensive income for the year		-	2,896,849	2,896,849
Dividends	12	-	(3,800,000)	(3,800,000)
		<u>100,000</u>	<u>3,159,440</u>	<u>3,259,440</u>
Balance at 31 July 2016		100,000	3,159,440	3,259,440
Year ended 31 July 2017:				
Profit and total comprehensive income for the year		-	6,400,664	6,400,664
Dividends	12	-	(3,800,000)	(3,800,000)
		<u>100,000</u>	<u>5,760,104</u>	<u>5,860,104</u>
Balance at 31 July 2017		<u>100,000</u>	<u>5,760,104</u>	<u>5,860,104</u>

DANNY SULLIVAN & SONS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2017

		2017		2016	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	24		6,209,558		3,969,464
Interest paid			(2,777)		(1,222)
Corporation tax paid			(1,100,000)		(1,350,000)
Net cash inflow from operating activities			<u>5,106,781</u>		<u>2,618,242</u>
Investing activities					
Purchase of tangible fixed assets		(462,944)		(186,605)	
Proceeds on disposal of tangible fixed assets		62,947		66,011	
Interest received		4,533		10,027	
Net cash used in investing activities			<u>(395,464)</u>		<u>(110,567)</u>
Financing activities					
Dividends paid		(3,800,000)		(3,800,000)	
Net cash used in financing activities			<u>(3,800,000)</u>		<u>(3,800,000)</u>
Net increase/(decrease) in cash and cash equivalents			911,317		(1,292,325)
Cash and cash equivalents at beginning of year			<u>4,130,289</u>		<u>5,422,614</u>
Cash and cash equivalents at end of year			<u><u>5,041,606</u></u>		<u><u>4,130,289</u></u>

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017

1 Company information

Danny Sullivan & Sons Limited is a private company limited by shares incorporated in England and Wales. The registered office is 22 Barretts Green Road, Park Royal, London, NW10 7AE.

2 Accounting policies

2.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

The Directors' Report and the Strategic Report sets out the company's business activities, and highlights the factors which may impact on its financial performance, market position and future prospects.

The Strategic Report also provides information in relation to the company's financial and liquidity position, details of its financial instruments, management of capital and exposure to credit and liquidity risk.

The company has a substantial order book for the twelve months from the date of approval of these financial statements and its forecasts indicate that it will continue to generate profit and positive cash flows for the foreseeable future.

As a consequence, the directors believe that the company has adequate resources to continue in operational existence and that it is well placed to continue to manage its business risks successfully. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Turnover

Turnover represents the invoiced value of services provided, exclusive of value added tax.

2.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Over 4 years
Fixtures and fittings	Over 5 years
Motor vehicles	Over 4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

2.5 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

DANNY SULLIVAN & SONS LIMITED

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

2 Accounting policies (continued)

2.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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 the liability simultaneously.

2.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

2.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

3 Judgements estimates and assumptions

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4 Turnover and other revenue

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK and all of which is continuing.

5 Operating profit

	2017	2016
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	171,623	163,674
Profit on disposal of tangible fixed assets	(24,466)	(534)
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2017	2016
	£	£
Fees payable to the company's auditors:		
For audit services		
Audit of the company's financial statements	28,000	28,000
	<u> </u>	<u> </u>
For other services		
Accountancy and tax services	86,000	52,000
	<u> </u>	<u> </u>

7 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017	2016
	Number	Number
Directors	4	5
Administration	16	16
Trades	1,197	1,020
	<u> </u>	<u> </u>
	1,217	1,041
	<u> </u>	<u> </u>

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

7 Employees **(continued)**

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	55,705,597	43,795,762
Social security costs	6,073,668	4,839,018
Pension costs	433,035	339,852
	62,212,300	48,974,632
	62,212,300	48,974,632

8 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	783,010	681,503
Company pension contributions to defined contribution schemes	21,335	24,293
	804,345	705,796
	804,345	705,796

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2016 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2017	2016
	£	£
Remuneration for qualifying services	321,889	318,949
Company pension contributions to defined contribution schemes	18,722	22,716
	340,611	341,665
	340,611	341,665

9 Interest receivable and similar income

	2017	2016
	£	£
Interest income		
Interest on bank deposits	4,533	10,027
	4,533	10,027
	4,533	10,027

10 Interest payable and similar expenses

	2017	2016
	£	£
Other interest	2,777	1,222
	2,777	1,222
	2,777	1,222

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

11 Taxation	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	1,275,818	886,389
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	34,193	10,558
	<u> </u>	<u> </u>
Total tax charge	<u>1,310,011</u>	<u>896,947</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	7,710,675	3,793,796
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2016: 20.00%)	1,542,135	758,759
Tax effect of expenses that are not deductible in determining taxable profit	100,220	138,186
Effect of change in corporation tax rate	(21,684)	-
Permanent capital allowances in excess of depreciation	(18,325)	(10,450)
Deferred tax adjustments in respect of prior years	34,193	10,558
Profit/(loss) on sale of assets	(4,893)	(106)
Timing differences on accrued expenses	(321,635)	-
	<u> </u>	<u> </u>
Taxation charge for the year	<u>1,310,011</u>	<u>896,947</u>

12 Dividends	2017 £	2016 £
Interim dividend paid	3,800,000	3,800,000
	<u> </u>	<u> </u>

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

13 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 August 2016	660,943	220,217	152,624	1,033,784
Additions	243,852	168,632	50,460	462,944
Disposals	(122,213)	(36,657)	(52,522)	(211,392)
At 31 July 2017	<u>782,582</u>	<u>352,192</u>	<u>150,562</u>	<u>1,285,336</u>
Depreciation and impairment				
At 1 August 2016	489,718	151,268	104,771	745,757
Depreciation charged in the year	102,353	44,552	24,718	171,623
Eliminated in respect of disposals	(95,725)	(31,948)	(45,238)	(172,911)
At 31 July 2017	<u>496,346</u>	<u>163,872</u>	<u>84,251</u>	<u>744,469</u>
Carrying amount				
At 31 July 2017	<u>286,236</u>	<u>188,320</u>	<u>66,311</u>	<u>540,867</u>
At 31 July 2016	<u>171,225</u>	<u>68,949</u>	<u>47,853</u>	<u>288,027</u>

14 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	10,859,518	9,485,480
Corporation tax recoverable	-	34,650
Amounts owed by group undertakings	3,936,969	3,988,046
Other debtors	21,420	15,012
Prepayments and accrued income	33,757	18,811
	<u>14,851,664</u>	<u>13,541,999</u>

The amounts due from group undertakings are unsecured, interest-free and repayable on demand.

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

15 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors and accruals	9,794,919	9,814,817
Amounts due to group undertakings	21,064	20,984
Corporation tax	141,168	-
Other taxation and social security	3,900,999	3,737,682
Directors current accounts	529,679	1,007,014
Other creditors	140,039	108,406
	14,527,868	14,688,903
	14,527,868	14,688,903

The amounts due to directors and to group undertakings are unsecured, interest-free and repayable on demand.

17 Provisions for liabilities

	Notes	2017	2016
		£	£
Deferred tax liabilities	18	46,165	11,972
		46,165	11,972
		46,165	11,972

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities	Liabilities
	2017	2016
	£	£
Balances:		
Accelerated capital allowances	46,165	11,972
	46,165	11,972
		11,972
Movements in the year:		£
Liability at 1 August 2016		11,972
Charge to profit or loss		34,193
		46,165
Liability at 31 July 2017		46,165

The deferred tax liability set out above is expected to reverse and relates to accelerated capital allowances.

DANNY SULLIVAN & SONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2017

19	Retirement benefit schemes		
		2017	2016
	Defined contribution schemes	£	£
	Charge to profit or loss in respect of defined contribution schemes	433,035	339,852
		<u> </u>	<u> </u>
	The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.		
20	Share capital		
		2017	2016
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100,000 Ordinary shares of £1 each	100,000	100,000
		<u> </u>	<u> </u>
21	Events after the reporting date		
	There were no events since the year end which materially affected the company.		
22	Related party transactions		
	The company has taken advantage of the exemption available in accordance with Financial Reporting Standard 102, Section 33.1A, 'Related Party Disclosures' not to disclose transactions entered and outstanding balances between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.		
23	Controlling party		
	Danny Sullivan Group Limited is the company's ultimate parent undertaking. Daniel O'Sullivan who holds 100% of the shares in Danny Sullivan Group Limited is the ultimate controller of the company. The consolidated financial statements of Danny Sullivan Group Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.		
24	Cash generated from operations		
		2017	2016
		£	£
	Profit for the year after tax	6,400,664	2,896,849
	Adjustments for:		
	Taxation charged	1,310,011	896,947
	Finance costs	2,777	1,222
	Investment income	(4,533)	(10,027)
	Gain on disposal of tangible fixed assets	(24,466)	(534)
	Depreciation and impairment of tangible fixed assets	171,623	163,674
	Movements in working capital:		
	Increase in debtors	(1,344,315)	(2,135,737)
	(Decrease)/increase in creditors	(302,203)	2,157,070
		<u> </u>	<u> </u>
	Cash generated from operations	<u>6,209,558</u>	<u>3,969,464</u>

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