

Registration number: SC133992

Delson Contracts Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2017



Delson Contracts Limited

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Delson Contracts Limited

Company Information

Directors	B J Stott
	K M Williamson
	S Davidson
Company secretary	Mrs H D Stott
Registered office	7A Logie Road
	Logie Business Park
	Kirriemuir
	Angus
	DD8 5PU
Auditors	Murray, Taylor LLP
	Chartered Certified Accountants
	10 Murray Lane
	Montrose
	Angus
	DD10 8LF

Delson Contracts Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.


Delson Contracts Limited
(Registration number: SC133992)
Balance Sheet as at 30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	926,987	893,855
Investment property	5	-	89,997
		<u>926,987</u>	<u>983,852</u>
Current assets			
Stocks	6	2,095,021	1,874,104
Debtors	7	887,410	1,953,689
Cash at bank and in hand		<u>1,251,843</u>	<u>622,526</u>
		4,234,274	4,450,319
Creditors: Amounts falling due within one year	8	<u>(1,755,237)</u>	<u>(1,071,839)</u>
Net current assets		<u>2,479,037</u>	<u>3,378,480</u>
Total assets less current liabilities		3,406,024	4,362,332
Creditors: Amounts falling due after more than one year	8	(149,565)	(1,676,083)
Provisions for liabilities		<u>(118,997)</u>	<u>(129,455)</u>
Net assets		<u>3,137,462</u>	<u>2,556,794</u>
Capital and reserves			
Called up share capital		20,000	20,000
Profit and loss account		<u>3,117,462</u>	<u>2,536,794</u>
Total equity		<u>3,137,462</u>	<u>2,556,794</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 28 June 2018 and signed on its behalf by:



B J Stott
Director

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

1 General information

The company is a private company limited by share capital incorporated in Scotland.

The address of its registered office is:

7A Logie Road
Logie Business Park
Kirriemuir
Angus
DD8 5PU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

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

Audit report

The Independent Auditors' Report was unqualified. There are no factors which The name of the Senior Statutory Auditor who signed the audit report on 28 June 2018 was R J Sim F.C.C.A., who signed for and on behalf of Murray, Taylor LLP.

Tangible assets

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

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

Depreciation

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

Asset class	Depreciation method and rate
Plant and machinery	25% on reducing balance
Motor vehicles	25% on reducing balance
Fixtures and fittings	15% on reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

Cash and cash equivalents

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

Trade debtors

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

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

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

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

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

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

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

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

Leases

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

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

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

Share capital

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

Dividends

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

Defined contribution pension obligation

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

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

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 23 (2016 - 23).

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 October 2016	104,192	538,883	1,421,259	2,064,334
Additions	23,921	232,518	111,705	368,144
Disposals	(1,400)	(110,740)	-	(112,140)
At 30 September 2017	<u>126,713</u>	<u>660,661</u>	<u>1,532,964</u>	<u>2,320,338</u>
Depreciation				
At 1 October 2016	41,272	240,714	888,493	1,170,479
Charge for the year	10,547	122,624	161,117	294,288
Eliminated on disposal	(873)	(70,543)	-	(71,416)
At 30 September 2017	<u>50,946</u>	<u>292,795</u>	<u>1,049,610</u>	<u>1,393,351</u>
Carrying amount				
At 30 September 2017	<u>75,767</u>	<u>367,866</u>	<u>483,354</u>	<u>926,987</u>
At 30 September 2016	<u>62,920</u>	<u>298,169</u>	<u>532,766</u>	<u>893,855</u>

5 Investment properties

	2017 £
At 1 October	89,997
Disposals	(89,997)
At 30 September	<u>-</u>
There has been no valuation of investment property by an independent valuer.	

6 Stocks

	2017 £	2016 £
Work in progress	<u>2,095,021</u>	<u>1,874,104</u>

7 Debtors

	2017 £	2016 £
Trade debtors	877,689	1,383,345
Other debtors	<u>9,721</u>	<u>570,344</u>
Total current trade and other debtors	<u>887,410</u>	<u>1,953,689</u>

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

8 Creditors

	Note	2017 £	2016 £
Due within one year			
Bank loans and overdrafts	9	308,869	353,255
Trade creditors		839,011	405,257
Amounts owed to group undertakings and undertakings in which the company has a participating interest		352,688	6,549
Taxation and social security		77,155	105,673
Other creditors		177,514	201,105
		<u>1,755,237</u>	<u>1,071,839</u>
Due after one year			
Loans and borrowings	9	149,565	221,083
Other non-current financial liabilities		-	1,455,000
		<u>149,565</u>	<u>1,676,083</u>

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	<u>149,565</u>	<u>221,083</u>

	2017 £	2016 £
Current loans and borrowings		
Bank overdrafts	45,647	67,148
Finance lease liabilities	<u>263,222</u>	<u>286,107</u>
	<u>308,869</u>	<u>353,255</u>

10 Dividends

Final dividends paid

	2017 £	2016 £
Final dividend of £0 (2016 - £75) per each Ordinary shares share	<u>-</u>	<u>1,500,000</u>

Delson Contracts Limited

Notes to the Financial Statements for the Year Ended 30 September 2017

11 Parent and ultimate parent undertaking

The company's immediate parent is Delson Holdings Limited, incorporated in Scotland.

The ultimate controlling party is B J Stott.