

Strategic Report, Report of the Directors and
Financial Statements

for the Year Ended 31 October 2014

for

Design & Management Contractors Limited

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for the Year Ended 31 October 2014

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Design & Management Contractors Limited

Company Information
for the Year Ended 31 October 2014

DIRECTORS: C G Munday
S M Robertson
S Short
A Park

SECRETARY: A Park

REGISTERED OFFICE: Contract House
202 North Cray Road
Sidcup
Kent
DA14 5EH

REGISTERED NUMBER: 01906852 (England and Wales)

AUDITORS: Bristow Burrell
Statutory Auditors
4 Riverview
Walnut Tree Close
Guildford
Surrey
GU1 4UX

Strategic Report
for the Year Ended 31 October 2014

The directors present their strategic report for the year ended 31 October 2014.

REVIEW OF BUSINESS AND PRINCIPAL RISKS

In the year the company continued to expand its client portfolio and increase its sales in all areas of the business, which in turn has led to an increase in the company's market share in the south and south east of England. This combined with a strong supplier, sub contractor and employee base, will allow the business to continue this growth into the current year and beyond. To enable the company to continue this expansion in the current year the Directors are also investing in new IT systems that will allow it to provide the best possible solutions to its customers.

The Directors consider the principal risk to the business is as it continues to grow and develop in different areas it must continue to maintain the quality of its site management. To ensure this happens the Directors have put significant resources into developing and maintaining a robust health and safety system as well providing structured training to its staff and sub contractors at all levels.

The Directors consider their comprehensive business and financial plan for the future will provide a solid platform to take the company through its next stage of growth and development over the next five years.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, consisting of a series of loops and flourishes, enclosed within an oval shape.

A Park - Secretary

29 April 2015

**Report of the Directors
for the Year Ended 31 October 2014**

The directors present their report with the financial statements of the company for the year ended 31 October 2014.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2014 will be £70,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2013 to the date of this report.

C G Munday
S M Robertson
S Short
A Park

Other changes in directors holding office are as follows:

M D Turner - resigned 1 May 2014

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

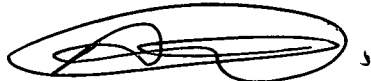
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 October 2014

AUDITORS

The auditors, Bristow Burrell, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature, likely of A. Park, is enclosed in an oval. The signature is written in dark ink and appears to be a stylized representation of the name.

A Park - Secretary

29 April 2015

**Report of the Independent Auditors to the Members of
Design & Management Contractors Limited**

We have audited the financial statements of Design & Management Contractors Limited for the year ended 31 October 2014 on pages seven to fifteen. 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).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 Auditing Practices Board's 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 Report of the Directors 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 October 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

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

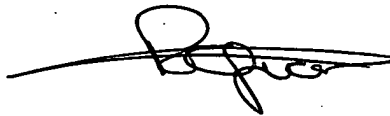
Report of the Independent Auditors to the Members of
Design & Management Contractors Limited

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.

R C Spicer (Senior Statutory Auditor)
for and on behalf of Bristow Burrell
Statutory Auditors
4 Riverview
Walnut Tree Close
Guildford
Surrey
GU1 4UX



Date: 29 April 2015

**Profit and Loss Account
for the Year Ended 31 October 2014**

	Notes	2014 £	2013 £
TURNOVER		7,641,146	5,855,145
Cost of sales		<u>5,995,595</u>	<u>4,604,180</u>
GROSS PROFIT		1,645,551	1,250,965
Administrative expenses		<u>1,407,415</u>	<u>1,119,799</u>
OPERATING PROFIT	3	238,136	131,166
Interest receivable and similar income		<u>101</u>	<u>665</u>
		238,237	131,831
Interest payable and similar charges	4	<u>56,770</u>	<u>43,590</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		181,467	88,241
Tax on profit on ordinary activities	5	<u>38,993</u>	<u>21,970</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>142,474</u></u>	<u><u>66,271</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

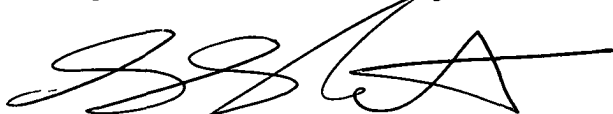
TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

Balance Sheet
31 October 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	7	452,451	204,786
Investments	8	170	170
		<u>452,621</u>	<u>204,956</u>
CURRENT ASSETS			
Stocks	9	242,155	202,825
Debtors	10	2,162,582	2,119,058
Cash at bank		101,263	72,645
		<u>2,506,000</u>	<u>2,394,528</u>
CREDITORS			
Amounts falling due within one year	11	1,912,369	1,851,983
NET CURRENT ASSETS		<u>593,631</u>	<u>542,545</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,046,252</u>	<u>747,501</u>
CREDITORS			
Amounts falling due after more than one year	12	(197,829)	(10,545)
PROVISIONS FOR LIABILITIES	15	(60,442)	(21,449)
NET ASSETS		<u><u>787,981</u></u>	<u><u>715,507</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	100	100
Profit and loss account	17	787,881	715,407
SHAREHOLDERS' FUNDS	21	<u><u>787,981</u></u>	<u><u>715,507</u></u>

The financial statements were approved by the Board of Directors on 29 April 2015 and were signed on its behalf by:



S Short - Director

Notes to the Financial Statements
for the Year Ended 31 October 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery - 15% on reducing balance
Fixtures and fittings - 15% on reducing balance
Motor vehicles - 25% on reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Group accounts

These financial statements present information about the company as an individual undertaking.

The company has taken advantage of the exemption not to prepare group accounts in accordance with s405 of the Companies Act 2006 because its subsidiary is dormant and its inclusion is not material for the purposes of giving a true and fair view.

2. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	776,735	591,164
Social security costs	68,625	65,793
Other pension costs	5,711	-
	<u>851,071</u>	<u>656,957</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

2. STAFF COSTS - continued

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

	2014	2013
Administration	15	13
Directors	5	5
Direct Operatives	36	22
	<u>56</u>	<u>40</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£	£
Depreciation - owned assets	22,610	25,887
Depreciation - assets on hire purchase contracts	48,374	43,104
Loss on disposal of fixed assets	3,334	-
Auditors' remuneration	10,000	10,000
	<u>235,160</u>	<u>239,775</u>

Information regarding the highest paid director is as follows:

	2014	2013
	£	£
Emoluments etc	<u>60,355</u>	<u>68,314</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Bank interest & charges	3,221	3,668
Factoring & loan interest	47,218	35,576
Hire purchase	6,331	4,346
	<u>56,770</u>	<u>43,590</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	-	31,252
Deferred tax	38,993	(9,282)
Tax on profit on ordinary activities	<u>38,993</u>	<u>21,970</u>

UK corporation tax was charged at 22% in 2013.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	181,467	88,241
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2013 - 23.420%)	36,293	20,666
Effects of:		
Expenses not deductible for tax purposes	2,700	1,705
Capital allowances in excess of depreciation	(58,692)	-
Depreciation in excess of capital allowances	-	10,870
Utilisation of tax losses	19,699	-
Marginal Relief	-	(1,989)
Current tax charge	-	31,252

6. DIVIDENDS

	2014 £	2013 £
Interim	70,000	39,667

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 November 2013	55,006	252,524	311,334	618,864
Additions	-	40,018	316,565	356,583
Disposals	-	-	(142,379)	(142,379)
At 31 October 2014	55,006	292,542	485,520	833,068
DEPRECIATION				
At 1 November 2013	46,683	189,398	177,997	414,078
Charge for year	1,248	11,069	58,667	70,984
Eliminated on disposal	-	-	(104,445)	(104,445)
At 31 October 2014	47,931	200,467	132,219	380,617
NET BOOK VALUE				
At 31 October 2014	7,075	92,075	353,301	452,451
At 31 October 2013	8,323	63,126	133,337	204,786

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 November 2013	-	134,544	134,544
Additions	24,879	314,064	338,943
Disposals	-	(13,645)	(13,645)
Transfer to ownership	-	(78,999)	(78,999)
	<u>24,879</u>	<u>355,964</u>	<u>380,843</u>
At 31 October 2014			
DEPRECIATION			
At 1 November 2013	-	51,415	51,415
Charge for year	1,244	47,130	48,374
Eliminated on disposal	-	(6,222)	(6,222)
Transfer to ownership	-	(44,148)	(44,148)
	<u>1,244</u>	<u>48,175</u>	<u>49,419</u>
At 31 October 2014			
NET BOOK VALUE			
At 31 October 2014	<u>23,635</u>	<u>307,789</u>	<u>331,424</u>
At 31 October 2013	<u>-</u>	<u>83,129</u>	<u>83,129</u>

8. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 November 2013 and 31 October 2014	<u>170</u>
NET BOOK VALUE	
At 31 October 2014	<u>170</u>
At 31 October 2013	<u>170</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Constant Temperature Control Services Limited
Nature of business: Dormant

	holding 100.00	2014 £	2013 £
Class of shares:			
Ordinary			
Aggregate capital and reserves		<u>170</u>	<u>170</u>

9. STOCKS

	2014 £	2013 £
Stocks	25,019	21,198
Work-in-progress	<u>217,136</u>	<u>181,627</u>
	<u>242,155</u>	<u>202,825</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	2,074,121	2,061,353
Intercompany loan	52,500	22,500
Prepayments	35,961	35,205
	<u>2,162,582</u>	<u>2,119,058</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Hire purchase contracts (see note 13)	98,670	31,070
Trade creditors	1,449,882	1,467,731
Tax	-	31,253
Social security and other taxes	279,128	275,365
Other creditors	53,347	25,763
Accrued expenses	31,342	20,801
	<u>1,912,369</u>	<u>1,851,983</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014	2013
	£	£
Hire purchase contracts (see note 13)	<u>197,829</u>	<u>10,545</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2014	2013
	£	£
Gross obligations repayable:		
Within one year	105,627	32,439
Between one and five years	216,807	10,875
	<u>322,434</u>	<u>43,314</u>
Finance charges repayable:		
Within one year	6,957	1,369
Between one and five years	18,978	330
	<u>25,935</u>	<u>1,699</u>
Net obligations repayable:		
Within one year	98,670	31,070
Between one and five years	197,829	10,545
	<u>296,499</u>	<u>41,615</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2014	2013
	£	£
Expiring:		
Within one year	1,855	10,625
Between one and five years	20,473	15,080
	<u>22,328</u>	<u>25,705</u>

14. SECURED DEBTS

The following secured debts are included within creditors:

	2014	2013
	£	£
Factor monies	<u>488,663</u>	<u>580,609</u>

Invoice discount monies due to Royal Bank of Scotland Invoice Finance are secured by way of a charge over book debts and these totalled £488,663 (2013: £580,609) at the year end.

15. PROVISIONS FOR LIABILITIES

	2014	2013
	£	£
Deferred tax	<u>60,442</u>	<u>21,449</u>

	Deferred tax
	£
Balance at 1 November 2013	21,449
Charge to Profit and Loss Account during year	38,993
Balance at 31 October 2014	<u>60,442</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

17. RESERVES

	Profit and loss account
	£
At 1 November 2013	715,407
Profit for the year	142,474
Dividends	(70,000)
At 31 October 2014	<u>787,881</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2014

18. CONTINGENT LIABILITIES

At the year end the company has an ongoing claim in respect of fire damage to a property for the sum of £160,000 caused by one of its sub contractors. The Directors and the company's legal advisors are confident that the company has no liability in respect of any claim.

19. RELATED PARTY DISCLOSURES

The company is a wholly owned subsidiary of Design & Management Holdings Limited which is wholly owned by Terry Quinn.

Design and Management Air Conditioning and Mechanical Services Limited is also a subsidiary of Design & Management Holdings Limited. The two companies trade with each other under normal commercial conditions on an arms length basis.

During the year, sales of £296,692 (2013: £693,303) and purchases of £82,471 (2013: £62,634) were made between the two companies. Included within debtors at the year end was £51,979 (2013: £336,656) and within creditors at the year end was £38,433 (2013: £2,755) in respect of these transactions.

Dean Developments Limited is also a subsidiary of Design & Management Holdings Limited. During the year the company paid rent of £34,681 (2013: £30,390) to Dean Developments Limited. At the year end £nil (2013: £22,500) was owed from Dean Developments Limited by way of an inter-company loan.

During the year the company made purchases of £50,896 (2013: £45,000) from Design & Management Holdings Limited at the year end £52,500 (2013: £nil) was included in debtors in respect of an inter-company loan to Design & Management Holdings Limited.

20. ULTIMATE CONTROLLING PARTY

Terry Quinn controls the company by virtue of his 100% shareholding in the holding company Design & Management Holdings Limited.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	142,474	66,271
Dividends	(70,000)	(39,667)
Net addition to shareholders' funds	72,474	26,604
Opening shareholders' funds	715,507	688,903
Closing shareholders' funds	<u>787,981</u>	<u>715,507</u>