

D&S Contracts Limited
Unaudited Financial Statements
for the Year Ended 31 May 2022

Wylie Ruddell
Chartered Accountants
Armagh Business Centre
2 Loughgall Road
Armagh
BT61 7NH

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Directors: Mrs Elizabeth Alexandra Walker
Mr David William Walker

Registered office: Oak Lodge
22 Forthill Road
Dromore
Co Down
BT25 1RF

Registered number: NI062824 (Northern Ireland)

Accountants: Wylie Ruddell
Chartered Accountants
Armagh Business Centre
2 Loughgall Road
Armagh
BT61 7NH

Statement of Financial Position
31 May 2022

		2022	2021
	Notes	£	£
Fixed assets			
Property, plant and equipment	4	597,401	617,585
Current assets			
Inventories	5	236,919	239,874
Receivables	6	519,465	300,560
Cash at bank		132,370	79,973
		888,754	620,407
Payables			
Amounts falling due within one year	7	(952,060)	(959,699)
Net current liabilities		(63,306)	(339,292)
Total assets less current liabilities		534,095	278,293
Payables			
Amounts falling due after more than one year	8	(311,842)	(179,067)
Provisions for liabilities	9	(104,694)	(54,493)
Net assets		117,559	44,733
Capital and reserves			
Called up share capital	10	20,001	20,001
Retained earnings		97,558	24,732
Shareholders' funds		117,559	44,733

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Statement of Financial Position - continued
31 May 2022

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of income and retained earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 20 March 2023 and were signed on its behalf by:

Mr David William Walker - Director

**Notes to the Financial Statements
for the Year Ended 31 May 2022**

1. Statutory information

D&S Contracts Limited is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Property, plant and equipment

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	- 10% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 20% on reducing balance

Inventories

Inventories are valued at the lower of cost and net realisable value.

Work in Progress relates to short term construction contracts which are recognised in the financial statements based on the stage of completion at the year end.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities.

2. **Accounting policies - continued**

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income Statements.

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 profit or loss in the period to which they relate.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the Statement of Financial Position. 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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Receivables

Short term receivables are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Payables

Short term payables are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

2. Accounting policies - continued

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are required when applying accounting policies. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future, which can involve a high degree of judgement or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Work in progress

The company recognises work in progress in respect of the stage of completion of building projects which have not been invoiced at the reporting date. This requires an estimation of the stage of completion of each particular project commenced but not complete at the reporting date. The carrying amount of closing inventories and work in progress at 31 May 2022 is £236,919 (2021: £239,874)

Useful economic lives of intangible and tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See property, plant and equipment note for the carrying amount of the assets, and note 2 for the useful economic lives for each class of asset.

3. Employees and directors

The average number of employees during the year was 16 (2021 - 19) .

4. Property, plant and equipment

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost				
At 1 June 2021	1,446,653	30,749	173,638	1,651,040
Additions	49,872	-	21,067	70,939
Disposals	-	-	(44,825)	(44,825)
At 31 May 2022	<u>1,496,525</u>	<u>30,749</u>	<u>149,880</u>	<u>1,677,154</u>
Depreciation				
At 1 June 2021	898,345	24,209	110,901	1,033,455
Charge for year	59,817	1,635	13,534	74,986
Eliminated on disposal	-	-	(28,688)	(28,688)
At 31 May 2022	<u>958,162</u>	<u>25,844</u>	<u>95,747</u>	<u>1,079,753</u>
Net book value				
At 31 May 2022	<u>538,363</u>	<u>4,905</u>	<u>54,133</u>	<u>597,401</u>
At 31 May 2021	<u>548,308</u>	<u>6,540</u>	<u>62,737</u>	<u>617,585</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 20224. **Property, plant and equipment - continued**

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

	Plant and machinery £	Motor vehicles £	Totals £
Cost			
At 1 June 2021	628,850	72,726	701,576
Additions	18,250	16,867	35,117
Disposals	-	(44,825)	(44,825)
Reclassification/transfer	311,000	-	311,000
At 31 May 2022	<u>958,100</u>	<u>44,768</u>	<u>1,002,868</u>
Depreciation			
At 1 June 2021	356,771	34,268	391,039
Charge for year	40,489	7,837	48,326
Eliminated on disposal	-	(28,688)	(28,688)
Reclassification/transfer	196,435	-	196,435
At 31 May 2022	<u>593,695</u>	<u>13,417</u>	<u>607,112</u>
Net book value			
At 31 May 2022	<u>364,405</u>	<u>31,351</u>	<u>395,756</u>
At 31 May 2021	<u>272,079</u>	<u>38,458</u>	<u>310,537</u>

5. **Inventories**

	2022 £	2021 £
Work-in-progress	<u>236,919</u>	<u>239,874</u>

6. **Receivables: amounts falling due within one year**

	2022 £	2021 £
Trade receivables	448,803	212,827
Other receivables	70,662	87,733
	<u>519,465</u>	<u>300,560</u>

7. **Payables: amounts falling due within one year**

	2022 £	2021 £
Bank loan	9,747	9,507
Hire purchase contracts	130,791	137,427
Trade payables	542,700	584,746
Taxation and social security	17,887	12,439
Other payables	250,935	215,580
	<u>952,060</u>	<u>959,699</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 20228. Payables: amounts falling due
after more than one year

	2022	2021
	£	£
Bank loan	30,253	40,493
Hire purchase contracts	196,743	138,574
Other payables	84,846	-
	<u>311,842</u>	<u>179,067</u>

Amounts falling due in more than five years:

Repayable by instalments		
Other loans more 5yrs instal	<u>22,274</u>	<u>-</u>

Included within other payables is a third party loan secured by a personal guarantee from the company directors.

9. Provisions for liabilities

	2022	2021
	£	£
Deferred tax		
Accelerated capital allowances	119,910	85,767
Tax losses carried forward	(15,216)	(31,274)
	<u>104,694</u>	<u>54,493</u>

Deferred tax
£

Balance at 1 June 2021	54,493
Charge to Statement of income and retained earnings during year	50,201
Balance at 31 May 2022	<u>104,694</u>

10. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
20,001	Ordinary £1 Shares	£1	<u>20,001</u>	<u>20,001</u>

11. Directors' advances, credits and guarantees

During the year the directors withdrew net funds from the company in the sum of £12,215 (2021: £61,639). At the year end an amount of £28,247 (2021: £40,462) is owed to the directors of the company and is included within other payables. This loan does not bear interest and is repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.