

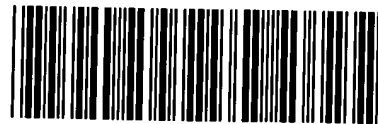
Registered number  
00026077.

Strategic Report, Report of the Directors and  
Financial Statements for the Period 27 December 2015 to 31 December 2016

for

Delta Limited

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for the Period 27 December 2015 to 31 December 2016

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Delta Limited

Company Information

for the Period 27 December 2015 to 31 December 2016

**DIRECTORS:**

M C Jaksich  
R A Massey  
J A Taylor  
G S Lebens  
T P Francis  
Mrs K C Potts

**SECRETARY:**

David Venus & Company LLP

**REGISTERED OFFICE:**

c/o Prism Cosec  
42-50 Hersham Road  
Walton-on-Thames  
Surrey  
KT12 1RZ

**REGISTERED NUMBER:**

00026077 (England and Wales)

**AUDITORS:**

Bostockwhite Limited  
Chartered Accountants and Statutory Auditors  
Cabourn House  
Station Street  
Bingham  
Nottinghamshire  
NG13 8AQ

Delta Limited (Registered number: 00026077)

Strategic Report  
for the Period 27 December 2015 to 31 December 2016

The directors present their strategic report for the period 27 December 2015 to 31 December 2016.

## **REVIEW OF BUSINESS**

The Group's subsidiary businesses continued to generate profit and as at 31 December 2016, the Company had received dividends from those subsidiaries. The Company's administration income totalled £52.2 million during the year, compared to administrative expenses of £21.1 million in the previous year, of which £54.6 million represented foreign exchange gains (2015: £19.5 million represented foreign exchange losses).

### **Risks and uncertainties**

There are a number of potential risks and uncertainties which could impact the Company's financial position and performance principally due to their potential impact on the Company's subsidiary businesses.

### **Global, Political and Economic conditions**

The Company owns businesses in five countries and has either sales or sourcing arrangements with various counterparties located within other countries within Asia, Africa and South America. Whilst the Company benefits from the growth opportunities in these continents, it is similarly exposed to the economic, political and business risks associated with such international operations. Throughout its investments the Company encounters different legal and regulatory requirements including those for taxation, exchange control (including repatriation of profits), environmental, operational and competitive matters.

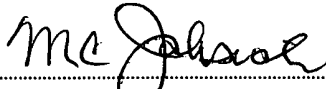
### **Pensions**

The Company sponsors a UK defined benefit plan, The Delta Pension Plan ("the Plan"). The Plan had an FRS 17 valuation net deficit of £169.8million at 31 December 2016 (2015: deficit of £120.2 million), with the Plan's assets totalling £394.6 million and its liabilities totalling £564.4 million (2015: assets of £347.3 million and liabilities of £467.5 million). The Plan is exposed to the risk of changes in interest rates, investment returns, the market value of investments, inflation and changes in the expected longevity of its members. The Plan is also exposed to changes in UK laws and regulations with regard to pension plans.

### **Foreign exchange**

The Company is exposed to movements in exchange rates between sterling and other world currencies particularly the South African rand and the US and Australian dollar, which could adversely or positively impact the value of the Company's investments.

## **ON BEHALF OF THE BOARD:**

  
.....  
M C Jaksich - Director

Date: September 2, 2017

Delta Limited (Registered number: 00026077)

Report of the Directors  
for the Period 27 December 2015 to 31 December 2016

The directors present their report with the financial statements of the company for the period 27 December 2015 to 31 December 2016.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The 2016 results have been prepared for the period 27 December 2015 to 31 December 2016. The 2015 results have been prepared for the period 28 December 2014 to 26 December 2015. The year-end date for the company has changed to 31 December 2016. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc, (Valmont), its parent. Due to the current period being 7 days longer than the comparative, the results of the company may not be entirely comparable.

The Company's financial statements solely reflect the trading performance and assets of the Company and not of the Company's subsidiaries. As such reported profit includes only investment income less expenses incurred by the Company.

**PRINCIPAL ACTIVITY**

The Company owns businesses in Africa and Europe. The European business holds assets that ultimately achieve a return from the Australasian, Asian and US businesses it used to indirectly own. These businesses are engaged in the manufacture and distribution of engineered steel products; the provision of hot-dip galvanising and zinc reclamation services; and the manufacture and distribution of manganese materials.

**DIVIDENDS**

The Company paid dividends of £7.57 per ordinary share on 19 September 2016 and £49.25 per ordinary share on 23 September 2016.

The Directors have not recommended a final dividend for 2016.

**EVENTS SINCE THE END OF THE PERIOD**

Information relating to events since the end of the period is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 27 December 2015 to the date of this report.

M C Jaksich  
R A Massey  
J A Taylor  
G S Lebens  
T P Francis  
Mrs K C Potts

Other changes in directors holding office are as follows:

T G Atkinson - resigned 26 February 2016

**Directors' indemnities**

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Delta Limited (Registered number: 00026077)

Report of the Directors  
for the Period 27 December 2015 to 31 December 2016

### **GOING CONCERN**

The directors have acknowledged the latest guidance on going concern. The Company has net cash balances of £62.8 million at 31 December 2016, and the Company's subsidiary businesses continue to trade profitably and hold substantial cash balances. The dividends expected from the Company's subsidiary companies, together with the Company's existing cash balances and the value of the Company's investments, are expected to be sufficient to fulfil the Company's foreseeable obligations to the Delta Pension Plan. Consequently, after making enquiries and considering known future uncertainties, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

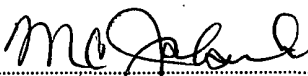
### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **AUDITORS**

The auditors, Bostockwhite Limited, have indicated their willingness to continue in office.

### **ON BEHALF OF THE BOARD:**

  
.....  
M C Jaksich - Director

Date: September 12, 2017

Independent Auditors' Report to the Members of  
Delta Limited

We have audited the financial statements of Delta Limited for the period ended 31 December 2016 on pages seven to twenty nine. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages three and four, 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 December 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

Independent Auditors' Report to the Members of  
Delta 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.

*S White*

Samantha White FCA CTA (Senior Statutory Auditor)  
for and on behalf of Bostockwhite Limited  
Chartered Accountants and Statutory Auditors  
Cabourn House  
Station Street  
Bingham

Date: 12.9.17



Delta Limited (Registered number: 00026077)

Income Statement

for the Period 27 December 2015 to 31 December 2016

	Notes	Period 27.12.15 to 31.12.16		Period 28.12.14 to 26.12.15	
		£'000	£'000	£'000	£'000
<b>TURNOVER</b>			-		-
Administrative expenses			(52,240)		21,191
<b>OPERATING PROFIT/(LOSS)</b>			52,240		(21,191)
Income from shares in group undertakings		10,380		21,639	
Interest receivable and similar income		21,976		24,740	
			32,356		46,379
			84,596		25,188
Amounts written off investments	4		6,483		21,824
			78,113		3,364
Other finance costs	17		4,500		3,300
<b>PROFIT BEFORE TAXATION</b>	5		73,613		64
Tax on profit	6		2,175		2,469
<b>PROFIT/(LOSS) FOR THE FINANCIAL PERIOD</b>			71,438		(2,405)

The notes form part of these financial statements

Delta Limited (Registered number: 00026077)

Other Comprehensive Income  
for the Period 27 December 2015 to 31 December 2016

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Notes		
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	71,438	(2,405)
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
Reserve transfer	71,439	-
Actuarial gains/(losses) on pension assets during the period	47,670	(11,875)
Actuarial losses on pension liabilities during the period	(92,700)	(18,400)
Income tax relating to components of other comprehensive income/(loss)	-	-
	<u>26,409</u>	<u>(30,275)</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF INCOME TAX</b>		
	<u>97,847</u>	<u>(32,680)</u>


The notes form part of these financial statements

Delta Limited (Registered number: 00026077)

Balance Sheet  
31 December 2016

	Notes	31.12.16 £'000	£'000	26.12.15 £'000	£'000
<b>FIXED ASSETS</b>					
Investments	8		155,095		304,674
<b>CURRENT ASSETS</b>					
Debtors	9	1,318		21,286	
Cash at bank	10	62,826		43,875	
		<u>64,144</u>		<u>65,161</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	3,975		2,270	
<b>NET CURRENT ASSETS</b>					
			<u>60,169</u>		<u>62,891</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			215,264		367,565
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		(12)		(1,619)
<b>PROVISIONS FOR LIABILITIES</b>					
	14		(1,100)		(500)
<b>PENSION LIABILITY</b>					
	17		(169,800)		(120,200)
<b>NET ASSETS</b>					
			<u>44,352</u>		<u>245,246</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		1,000		38,441
Share premium	16		-		33,998
Capital contribution reserve	16		2,893		2,893
Retained earnings	16		40,459		169,914
<b>SHAREHOLDERS' FUNDS</b>					
			<u>44,352</u>		<u>245,246</u>

The financial statements were approved by the Board of Directors on September 12, 2017 and were signed on its behalf by:

  
M C Jaksich - Director

The notes form part of these financial statements

Delta Limited (Registered number: 00026077)

Statement of Changes in Equity  
for the Period 27 December 2015 to 31 December 2016

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Capital contribution reserve £'000	Total equity £'000
<b>Balance at 28 December 2014</b>	38,441	214,594	33,998	2,893	289,926
<b>Changes in equity</b>					
Dividends	-	(12,000)	-	-	(12,000)
Total comprehensive loss	-	(32,680)	-	-	(32,680)
<b>Balance at 26 December 2015</b>	<u>38,441</u>	<u>169,914</u>	<u>33,998</u>	<u>2,893</u>	<u>245,246</u>
<b>Changes in equity</b>					
Issue of share capital	(37,441)	-	(33,998)	-	(71,439)
Dividends	-	(227,302)	-	-	(227,302)
Total comprehensive income	-	97,847	-	-	97,847
<b>Balance at 31 December 2016</b>	<u><u>1,000</u></u>	<u><u>40,459</u></u>	<u><u>-</u></u>	<u><u>2,893</u></u>	<u><u>44,352</u></u>

The notes form part of these financial statements

1. **STATUTORY INFORMATION**

Delta Limited is a private company, limited by shares, registered in England and Wales. 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 preparation**

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

These financial statements for the period ended 31 December 2016 are the first financial statements that comply with FRS 102. The date of transition was 28 December 2014.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes and their impact on opening equity and profit for the comparative period are explained in note 21.

**Going concern**

In preparing the financial statements, the directors have adopted the going concern basis. The Company has net cash balances of £62.8 million at 31 December 2016, and the Company's subsidiary businesses continue to trade profitably and hold substantial cash balances. The dividends expected from the Company's subsidiary companies, together with the Company's existing cash balances and the value of the Company's investments, are expected to be sufficient to fulfil the Company's foreseeable obligations to the Delta Pension Plan. Consequently, after making enquiries and considering known future uncertainties, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d).

**Preparation of consolidated financial statements**

The financial statements contain information about Delta Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Valmont Industries, Inc. .

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

2. **ACCOUNTING POLICIES - continued**

**Foreign currencies**

Foreign currency transactions are translated into sterling using exchange rates prevailing at the dates of the transactions. Exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in currencies other than sterling at exchange rates ruling at the balance sheet date are recognised in the profit and loss account.

**Financial Instruments**

The Company uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange rates. The derivative financial instruments used are forward foreign exchange contracts. The Company does not hold derivatives for trading or speculative purposes.

2. ACCOUNTING POLICIES - continued

**Pension costs and other post-retirement benefits**

The Company operates a defined benefit pension plan.

A defined benefit pension plan is one that specifies the amount of pension benefit that an employee will receive on retirement. The Company operates a funded defined benefit pension plan, where actuarially-determined payments are made to trustee-administered funds.

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method and is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The Company accounts for actuarial gains and losses in full through the statement of recognised gains and losses in the year in which they occur. Where the actuarial valuation of the plan demonstrates that the plan is in surplus, the recognisable asset is limited to that from which the Company can benefit in the future.

The current service cost, administration costs and gains or losses on settlements and curtailments are included in administrative expenses in the profit and loss account. Past service costs, if any, are similarly included where the benefits have vested, otherwise they are amortised on a straight-line basis over the vesting period.

The net of expected interest on pension plan liabilities and expected return on pension plan assets is recorded in the profit and loss account as other finance costs.

**Investments in subsidiary undertakings**

The Company accounts for its investments in subsidiary undertakings by the equity method, whereby the original cost of the investments is adjusted for the movement in underlying net assets applicable to the investments since their date of acquisition with an adjustment to the Company's revaluation reserve, except where any diminution in the value of the investment is considered permanent. In such cases the permanent diminution is recorded as a reduction in the Company's profit and loss account.

**Impairment of assets**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is determined for an individual asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The present value of estimated future cash flows is calculated using discount rates reflecting the risks specific to that asset and the current market assessment of the time value of money for the value in use calculation. Impairments are recognised in the profit and loss account.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Financial assets**

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs.

2. **ACCOUNTING POLICIES - continued**

**Loans to group undertakings**

The Company recognises loans to group undertakings when the transfer of substantial risks and rewards of ownership is made. Where the loans are denominated in foreign currencies, the assets are initially measured at the spot rate on the transfer date. The loan balance is then revalued at the year end spot rate and the foreign exchange difference is recorded in the profit and loss account.

**Derecognition of financial assets**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**Provisions**

Provisions are recognised when a present obligation (legal or constructive) exists in respect of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and where the amount can be reliably estimated by the directors. Where the impact is material, provisions are discounted to present value.

**Critical accounting judgements and key sources of estimation uncertainty**

In the process of applying the Company's accounting policies which are described above, management has made various judgements that potentially have a significant effect on the amounts recognised in the financial statements. These judgements relate primarily to the following items:

**Investment income**

Interest receivable on investments and cash balances is recognised in the profit and loss account under the heading of interest receivable and similar income on an accruals basis.

**Pensions (see note 17)**

The obligation in respect of the Company's retirement benefit obligations is dependent on a number of estimates including those relating to mortality, inflation, salary increases and the rate at which liabilities are discounted. Any change in these assumptions would impact the retirement benefit obligation recognised.

**Carrying amount of certain assets**

In reviewing the carrying value of certain assets, estimates of future financial performance of the assets and businesses concerned are taken into account. The estimates inherently include assumptions of internal and external factors that, whilst considered reasonable at the date of these accounts, may change in the future from those levels currently expected.

**Deferred tax assets**

Deferred tax assets have not been recognised since the directors hold the view that it is improbable that the Company will be able to utilise them in the future, given the lack of operations and so potential taxable income in the UK.



Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

2. ACCOUNTING POLICIES - continued

**Changes in accounting policy**

Amounts recorded and disclosed in relation to retirement benefits have been prepared under Financial Reporting Standard No. 102 (FRS 102), previously they have been prepared under FRS17. As a result the accounting treatment has changed for the period ended 31 December 2016. Under FRS 102 there are no changes to the overall actuarial valuations but changes to the way movements are presented in the primary statements. The net financing cost is higher as there is no requirement to reflect expected future events in actuarial assumptions. The operating cost will also be higher because administration expenses are no longer included as a deduction from expected returns on assets, but are now included as an operating cost alongside service cost. The financial impact on the current and comparative period is as follows :-

	FRS 102 31.12.16 £'000	FRS17 31.12.16 £'000	FRS 102 26.12.15 £'000	FRS17 26.12.15 £'000
Profit and loss account :				
Administration costs	1,200	-	1,100	-
Interest on net defined benefit liability	4,500	1,400	3,300	(400)
Statement of total recognised gains and losses :				
Actuarial loss on defined benefit scheme	45,030	49,330	30,275	35,075
Overall impact on reserves	50,730	50,730	34,675	34,675

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the period ended 31 December 2016 nor for the period ended 26 December 2015.

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Emoluments	-	-

**Directors' transactions**

There were no transactions with directors during the year.

4. AMOUNTS WRITTEN OFF INVESTMENTS

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Provision for diminution in value of fixed asset investments	6,483	21,824

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

5. **PROFIT BEFORE TAXATION**

The operating loss is stated after charging:

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Auditor's remuneration - company*	40	42
Auditor's remuneration - subsidiary entities	28	30
Foreign exchange differences	(54,672)	18,925
	<u>          </u>	<u>          </u>

\* During the year to 26.12.15, auditor's remuneration - company was not paid to bostockwhite Limited.

6. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the period was as follows:

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Current tax:		
Foreign tax	2,175	2,469
	<u>          </u>	<u>          </u>
Tax on profit	2,175	2,469
	<u>          </u>	<u>          </u>

6. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

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

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Profit before tax	73,613	64
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.258%)	14,723	13
Effects of:		
Utilisation of tax losses	(10,583)	-
Tax effect of dividends not assessable for tax	(2,076)	(4,384)
Short term timing differences	842	(1,615)
Income not taxable / expenses not deductible	(2,905)	4,040
Tax effect of transfer pricing adjustments	(1)	(2)
Tax effect of unrelieved current losses	-	1,948
Foreign tax not recoverable under double taxation relief	2,175	2,469
Total tax charge	2,175	2,469

**Tax effects relating to effects of other comprehensive income**

	27.12.15 to 31.12.16		
	Gross £'000	Tax £'000	Net £'000
Reserve transfer	71,439	-	71,439
Actuarial gains/(losses) on pension assets during the period	47,670	-	47,670
Actuarial losses on pension liabilities during the period	(92,700)	-	(92,700)
	26,409	-	26,409
	28.12.14 to 26.12.15		
	Gross £'000	Tax £'000	Net £'000
Reserve transfer			
Actuarial gains/(losses) on pension assets during the period	(11,875)	-	(11,875)
Actuarial losses on pension liabilities during the period	(18,400)	-	(18,400)
	(30,275)	-	(30,275)

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

7. **DIVIDENDS**

	Period 27.12.15 to 31.12.16 £'000	Period 28.12.14 to 26.12.15 £'000
Ordinary shares of 25p each Interim	227,302	12,000

8. **FIXED ASSET INVESTMENTS**

	31.12.16 £'000	26.12.15 £'000
Shares in group undertakings	16,751	23,234
Loans to group undertakings	138,344	281,440
	<u>155,095</u>	<u>304,674</u>

Additional information is as follows:

	Shares in group undertakings £'000
<b>COST</b>	
At 27 December 2015	849,451
Disposals	<u>(456,116)</u>
At 31 December 2016	<u>393,335</u>
<b>PROVISIONS</b>	
At 27 December 2015	826,217
Provision for period	6,483
Eliminated on disposal	<u>(456,116)</u>
At 31 December 2016	<u>376,584</u>
<b>NET BOOK VALUE</b>	
At 31 December 2016	<u>16,751</u>
At 26 December 2015	<u>23,234</u>

(i) The net book value of shares is equivalent to the Company's share of the issued share capital and reserves of the subsidiary companies.

(ii) The cost of shares in subsidiary companies is £393,335,296 (2015: £849,451,123).

8. **FIXED ASSET INVESTMENTS - continued**

	Loans to group undertakings £'000
At 27 December 2015	281,440
Repayment in year	(197,000)
Other movement	53,904
	<hr/>
At 31 December 2016	<u>138,344</u>

The loans to group undertakings are represented by loan notes that are repayable in 2042 and attract interest at a rate of 8.44% per annum.

The Company has investments in the following principal subsidiary undertakings:

Country of Incorporation	Company	Ownership	% interest	Principal activity
Philippines	Industrial Galvanizers Corporation of the Philippine Inc	Indirect	100%	Galvanizing services
Philippines	IGCP Properties Inc	Indirect	40%	Property holding company
United Kingdom	Valmont EMD Holdings Limited	Direct	100%	Investment holding company
Netherlands	Delta Electrical and Engineering Holdings BV	Direct	100%	Investment holding company
United Kingdom	Delta Engineering Holdings Limited	Direct	100%	Investment holding company
United Kingdom	Delta Industries Limited	Direct	100%	Investment holding company
United Kingdom	Valmont MMC Holdings Limited	Direct	100%	Dormant company
United Kingdom	Bill Switchgear Limited	Direct	100%	Dormant company
United Kingdom	Delta Enfield Limited	Direct	100%	Dormant company
Netherlands	Delta Group International BV	Direct	100%	Dormant company
United Kingdom	Delta (DCC) Limited	Direct	100%	Dormant company
United Kingdom	Delta Pension Nominees Limited	Direct	100%	Dormant company
United Kingdom	Aldway Eight Limited	Direct	100%	Dormant company
United Kingdom	Johnson & Phillips Limited	Direct	100%	Dormant company

The company has significant holdings in the following undertakings :

Country of Incorporation	Company	Ownership	% interest	Principal activity
South Africa	Delta EMD Limited *	Indirect	49.1%	Investment holding company
South Africa	EMD Investments Proprietary Limited	Indirect	49.1%	Investment holding company
South Africa	Delta (EMD) Proprietary Limited	Indirect	49.1%	Manufacture and distribution of electrolytic manganese dioxide
Australia	Delta EMD Australia Proprietary Limited	Indirect	49.1%	Dormant company

\* - Delta EMD Limited is listed on the Johannesburg Stock Exchange.

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16	26.12.15
	£'000	£'000
Amounts owed by group undertakings	1,165	19,910
Other debtors	-	1,220
VAT	68	65
Prepayments and accrued income	85	91
	<u>1,318</u>	<u>21,286</u>

**Deferred tax not recognised:**

	31.12.16	26.12.15
	£'000	£'000
Tax losses	(11,262)	(23,818)
Retirement benefit obligations	(28,866)	(24,040)
	<u>(40,128)</u>	<u>(47,858)</u>

Deferred tax assets have not been recognised because the directors believe it is still uncertain that the company will generate taxable profits in the foreseeable future, so will be unable to utilise the deferred tax assets.

10. **CASH AT BANK**

Cash as at 31 December 2016 includes money market funds of £52,122,046 (2015: £42,694,631) and other bank balances of £10,704,031 (2015: £1,179,994).

Included in other bank balances as at 31 December 2016 £47,322 (2015: £53,441) are amounts held specifically for the settlement of unpaid dividends previously declared by Delta Limited. Due to the slow release of these funds, this amount should be considered as non-current assets.

Also included in other bank balances as at 31 December 2016 is £10,000,000 (2015: £nil) that is subject to a charge. This charge has been subsequently released after the balance sheet date.

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16	26.12.15
	£'000	£'000
Trade creditors	49	72
Amounts owed to group undertakings	3,647	-
Other tax creditor	112	1,979
Other creditors	47	53
Accrued expenses	120	166
	<u>3,975</u>	<u>2,270</u>

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

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

	31.12.16	26.12.15
	£'000	£'000
Amounts owed to group undertakings	12	1,619

These amounts are interest free and repayable on demand, however this is at the discretion of the directors of Delta Limited.

13. FINANCIAL INSTRUMENTS

The Company has taken out financial instruments to manage its exposure to foreign exchange movements on loans granted by Delta Limited, where the loan is not in Delta Limited's functional currency (pound sterling).

At the period end date, the fair value of the forward foreign exchange contract included in other debtors was £nil (2015: £1,220,569).

Fair value of foreign exchange contracts is calculated by marking each contract to market at appropriate spot or forward exchange rates prevailing at the balance sheet date.

14. PROVISIONS FOR LIABILITIES

	31.12.16	26.12.15
	£'000	£'000
Other provisions	1,100	500

The Company is involved in claims and lawsuits incidental to its business. At the period end, an accrual of £1.1 million (2015 : £0.5 million) is included in provisions for liabilities in the Company's balance sheet pertaining to a legacy matter. The matter has since been settled following the balance sheet date.

15. CALLED UP SHARE CAPITAL

	31.12.16	26.12.15
	£'000	£'000
Ordinary shares		
Authorised		
188,000,000 ordinary shares of 25p each	47,000	47,000
Issued and fully paid		
4,000,000 ordinary shares of 25p each	1,000	38,441

The Company has one class of ordinary share. During the year the company has undertaken a capital reduction resulting in a distribution to reserves.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

16. **RESERVES**

	Retained earnings £'000	Share premium £'000	Capital contribution reserve £'000	Totals £'000
At 27 December 2015	169,914	33,998	2,893	206,805
Profit for the period	71,438	-	-	71,438
Dividends	(227,302)	-	-	(227,302)
Reserve transfer	71,439	(33,998)	-	37,441
Actuarial losses	(45,030)	-	-	(45,030)
At 31 December 2016	<u>40,459</u>	<u>-</u>	<u>2,893</u>	<u>43,352</u>

During the year the company has undertaken a capital reduction resulting in a distribution to reserves.

Reserves of the company held as at 31 December 2016 represent the following:

**Retained earnings**

Cumulative profit and loss of the company net of distributions to shareholders.

**Capital Contribution Reserve**

A non-distributable reserve historically created by the buy back by the company of (previously issued) preference share capital.



Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

**17. EMPLOYEE BENEFIT OBLIGATIONS**

The company sponsors a funded defined benefit pension plan, the Delta Pension Plan (DPP).

The level of benefits provided by the DPP depends on a member's length of service and their salary at their date of leaving the DPP. The DPP is closed to future accrual.

The last funding valuation of the DPP was carried out by a qualified actuary as at 31 March 2015.

Contributions of £21.1 million are expected to be paid by the Company to DPP during the period ending on 30 December 2017.

The results of the latest funding valuation at 31 March 2015 have been adjusted to the balance sheet date taking account of experience over the period since 31 March 2015, changes in market conditions and differences in the financial and demographic assumptions. The present value of the defined benefit obligation was measured using the Projected Unit Credit Method.

Reconciliation of funded status to the balance sheet :

	31.12.16	26.12.15
	£'000	£'000
Fair value of assets	394,600	347,300
Present value of funded defined benefit obligations	(564,400)	(467,500)
Funded status	(169,800)	(120,200)
Unrecognised asset	-	-
Asset/(liability) recognised on the balance sheet	(169,800)	(120,200)
Present value of unfunded defined benefit obligations	-	-

Amounts recognised in profit and loss account :

	31.12.16	26.12.15
	£'000	£'000
Operating cost :		
Administrative expenses	1,200	1,100
Financing cost :		
Interest on net defined benefit liability	4,500	3,300
	<u>5,700</u>	<u>4,400</u>

Amounts recognised in statement of total recognised gains and losses :

	31.12.16	26.12.15
	£'000	£'000
Asset gains / (losses) arising during the year	47,700	(11,900)
Liability gains / (losses) arising during the year	(92,700)	(18,400)
Total amount recognised in the statement of total recognised gains and losses	<u>(45,000)</u>	<u>(30,300)</u>

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

**EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes to the present value of the defined benefit obligation during the year :

	31.12.16	26.12.15
	£'000	£'000
Opening defined benefit obligation (DBO)	467,500	445,000
Interest expense on DBO	17,300	16,100
Actuarial losses on liabilities	92,700	18,400
Net benefits paid out	(13,100)	(12,000)
	<u>564,400</u>	<u>467,500</u>

Changes to fair value of DPP assets during the year :

	31.12.16	26.12.15
	£'000	£'000
Opening fair value of DPP assets	347,300	348,500
Interest income on DPP assets	12,800	12,800
Gain / (loss) on DPP assets	47,700	(11,900)
Contributions by the Company	1,100	11,000
Net benefits paid out	(13,100)	(12,000)
Administration costs incurred	(1,200)	(1,100)
	<u>394,600</u>	<u>347,300</u>

Actual return on DPP assets :

	31.12.16	26.12.15
	£'000	£'000
Interest income on DPP assets	12,800	12,800
Gain / (loss) on DPP assets	47,700	(11,900)
	<u>60,500</u>	<u>900</u>

The principal assumptions used to calculate the liabilities under FRS 102 are set out below :

Main financial assumptions :

	31.12.16	26.12.15
	% pa	% pa
RPI Inflation	3.35	3.25
CPI Inflation	2.25	2.15
Pension increases (RPI inflation up to 5% pa)	3.15	3.10
Pension increases (RPI inflation min 3% max 5% pa)	3.15	3.10
Discount rate for DPP liabilities	2.80	3.75

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

**EMPLOYEE BENEFIT OBLIGATIONS - continued**

Main demographic assumptions :

	31.12.16	26.12.15
	S2PxA tables scaled by 100% for males and 85% for females with improvements in line with the CMI 2015 projections and a long-term rate of improvement of 1.25% pa	S2PxA tables scaled by 100% for males and 85% for females with improvements in line with the CMI 2014 projections and a long-term rate of improvement of 1.5% pa
Mortality		
Expected future lifetimes from age 65		
- Males aged 45	23.9 years	24.7 years
- Females aged 45	27.4 years	28.4 years
- Males aged 65	22.2 years	22.6 years
- Females aged 65	25.5 years	26.1 years
	100% of members assumed to take the maximum tax free cash at retirement based on current conversion factors	100% of members assumed to take the maximum tax free cash at retirement based on current conversion factor
Cash commutation		

Plan asset allocation :

	31.12.16		26.12.15	
	£'000	%	£'000	%
UK equities	8,600	2.2%	8,200	2.4%
Overseas equities	125,400	31.8%	105,500	30.4%
Index-linked gilts	109,600	27.8%	84,000	24.2%
Corporate bonds	68,000	17.2%	68,700	19.8%
DGFs	81,000	20.5%	78,100	22.4%
Cash/net	2,000	0.5%	2,800	0.8%
	<u>394,600</u>	<u>100%</u>	<u>347,300</u>	<u>100%</u>

As at 31 December 2016, the DPP assets included £400,000 of shares in Delta EMD, a subsidiary of Delta Limited. None of the remainder of the DPP assets are directly invested in the Company's financial instruments or in the property occupied by, or other assets used by, the Company.

**18. ULTIMATE PARENT COMPANY**

The ultimate parent company is Valmont Industries Inc, a company incorporated in the US. Valmont Industries Inc is the parent undertaking of the largest and smallest group which includes the Company and for which group accounts are prepared. Copies of the consolidated financial statements of Valmont Industries Inc can be obtained from [www.valmont.com](http://www.valmont.com).

**19. CONTINGENT ASSETS**

As at the period end date, it is deemed probable that the Company will receive interest of £2.3m net of taxation in relation to an ongoing legal claim concerning the taxation of foreign income dividends.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 27 December 2015 to 31 December 2016

**20. SUBSEQUENT EVENTS**

After the period end as a result of some group restructuring, Delta Limited is now directly owned by Valmont Industries Inc, its ultimate parent company.

Also since the balance sheet date, a dividend has been declared for the sum of £20 million which is payable to the parent, Valmont Industries Inc.

**21. FIRST YEAR ADOPTION**

**Transitional relief**

On transition to FRS 102, the company has taken advantage of the following transitional relief:

- to measure investment in subsidiaries, associates and joint ventures at cost determined in accordance with Section 9 Consolidated and Separate Financial Statements, Section 14 Investments in Associates or Section 15 Investments in Joint Ventures.

Delta Limited (Registered number: 00026077)

Reconciliation of Equity

28 December 2014

(Date of Transition to FRS 102)

	Notes	UK GAAP £'000	Effect of transition to FRS 102 £'000	FRS 102 £'000
<b>FIXED ASSETS</b>				
Investments		346,751	-	346,751
<b>CURRENT ASSETS</b>				
Debtors	a	14,965	591	15,556
Cash at bank		27,766	-	27,766
		42,731	591	43,322
<b>CREDITORS</b>				
Amounts falling due within one year		(1,759)	-	(1,759)
<b>NET CURRENT ASSETS</b>				
		40,972	591	41,563
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		387,723	591	388,314
<b>CREDITORS</b>				
Amounts falling due after more than one year		(1,888)	-	(1,888)
<b>PENSION LIABILITY</b>				
		(96,500)	-	(96,500)
<b>NET ASSETS</b>				
		289,335	591	289,926
<b>CAPITAL AND RESERVES</b>				
Called up share capital		38,441	-	38,441
Share premium		33,998	-	33,998
Capital contribution reserve		2,893	-	2,893
Retained earnings		214,003	591	214,594
<b>SHAREHOLDERS' FUNDS</b>				
		289,335	591	289,926

The notes form part of these financial statements

Reconciliation of Equity - continued

26 December 2015

	Notes	UK GAAP £'000	Effect of transition to FRS 102 £'000	FRS 102 £'000
<b>FIXED ASSETS</b>				
Investments		304,674	-	304,674
<b>CURRENT ASSETS</b>				
Debtors	a	20,066	1,220	21,286
Cash at bank		43,875	-	43,875
		63,941	1,220	65,161
<b>CREDITORS</b>				
Amounts falling due within one year		(2,270)	-	(2,270)
<b>NET CURRENT ASSETS</b>				
		61,671	1,220	62,891
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
		366,345	1,220	367,565
<b>CREDITORS</b>				
Amounts falling due after more than one year		(1,619)	-	(1,619)
<b>PROVISIONS FOR LIABILITIES</b>				
PENSION LIABILITY		(500)	-	(500)
		(120,200)	-	(120,200)
<b>NET ASSETS</b>				
		244,026	1,220	245,246
<b>CAPITAL AND RESERVES</b>				
Called up share capital		38,441	-	38,441
Share premium		33,998	-	33,998
Capital contribution reserve		2,893	-	2,893
Retained earnings		168,694	1,220	169,914
<b>SHAREHOLDERS' FUNDS</b>				
		244,026	1,220	245,246

**Notes to the reconciliation of equity**

(a) Prior to the adoption of FRS 102, derivative financial instruments were recognised on settlement. Under the requirements of Section 12 of FRS 102, they are measured initially at cost and subsequently at fair value until settlement. This change in policy resulted in the inclusion of the financial assets.

Delta Limited (Registered number: 00026077)

Reconciliation of Loss  
for the Period 28 December 2014 to 26 December 2015

	Notes	UK GAAP £'000	Effect of transition to FRS 102 £'000	FRS 102 £'000
<b>TURNOVER</b>		-	-	-
Administrative expenses	a	(21,820)	629	(21,191)
<b>OPERATING LOSS</b>		(21,820)	629	(21,191)
Income from shares in group undertakings		21,639	-	21,639
Interest receivable and similar income		24,740	-	24,740
Amounts written off investments		(21,824)	-	(21,824)
Other finance costs		(3,300)	-	(3,300)
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(565)	629	64
Tax on (loss)/profit		(2,469)	-	(2,469)
<b>LOSS FOR THE FINANCIAL PERIOD</b>		(3,034)	629	(2,405)

The notes form part of these financial statements