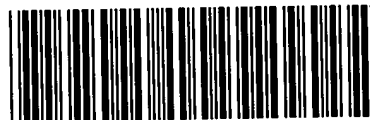


**REGISTERED NUMBER: 00026077 (England and Wales)**

Report of the Directors and  
Financial Statements for the Period 28 December 2014 to 26 December 2015  
for  
Delta Limited

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Delta Limited (Registered number: 00026077)

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for the Period 28 December 2014 to 26 December 2015

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Delta Limited

Company Information  
for the Period 28 December 2014 to 26 December 2015

**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:**

Deloitte LLP  
Chartered Accountants and Statutory  
Auditor  
Nottingham  
NG1 3FG

Delta Limited (Registered number: 00026077)

Report of the Directors  
for the Period 28 December 2014 to 26 December 2015

The directors present their report with the financial statements of the company for the period 28 December 2014 to 26 December 2015.

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

The 2015 results have been prepared for the period 28 December 2014 to 26 December 2015. The 2014 results have been prepared for the period 29 December 2013 to 27 December 2014. The year-end date for the company has changed to 26 December 2015. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc. (Valmont), its parent.

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.

### **REVIEW OF BUSINESS**

The Group's subsidiary businesses continued to generate profit and as at 26 December 2015, the Company had received dividends from those subsidiaries. As disclosed in the exceptional item below, the group concluded a restructuring exercise during the preceding year.

The Company's administration costs totalled £20.7 million during the year, compared to £14.8 million in the previous year, of which £19.6 million (2014: £14.0 million) represented foreign exchange losses.

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 £120.2million at 26 December 2015 (2014: deficit of £96.5 million), with the Plan's assets totalling £347.3 million and its liabilities totalling £467.5 million (2014: assets of £348.5 million and liabilities of £445.0 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.

### **DIVIDENDS**

The Company paid a dividend of 7.8p per ordinary share on 17 July 2015.

The Directors have not recommended a final dividend for 2015.

Delta Limited (Registered number: 00026077)

Report of the Directors  
for the Period 28 December 2014 to 26 December 2015

**DIRECTORS**

The directors shown below have held office during the whole of the period from 28 December 2014 to the date of this report.

M C Jaksich  
R A Massey  
J A Taylor  
G S Lebens

Other changes in directors holding office are as follows:

E R Meaney - resigned 1 July 2015  
T J McClain - resigned 1 July 2015  
T G Atkinson - resigned 26 February 2016  
T P Francis - appointed 28 August 2015  
Mrs K C Potts - appointed 28 August 2015

**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.

**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).

**GOING CONCERN**

The directors have acknowledged the latest guidance on going concern. The Company has net cash balances of £43.9 million at 26 December 2015, 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.

**EXCEPTIONAL ITEMS**

During the preceding year, Delta Limited and a number of its subsidiary companies concluded a restructuring exercise. This involved a simplification of the capital structure of most of the subsidiary companies involved and last year, a distribution by way of dividend of loan notes held in those subsidiaries.

This restructuring exercise led to £nil (2014: £315 million) of additional dividends being received by Delta Limited and also a permanent diminution in value of fixed asset investments of £nil (2014: £315 million) being recognised through the profit and loss account.

**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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Delta Limited (Registered number: 00026077)

Report of the Directors  
for the Period 28 December 2014 to 26 December 2015

**STATEMENT OF DIRECTORS' RESPONSIBILITIES – continued**

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 auditor, Deloitte LLP, has indicated their willingness to continue in office.

**ON BEHALF OF THE BOARD:**

  
.....  
M C Jaksich - Director

Date: August 25, 2016

Independent Auditor's Report to the Members of  
Delta Limited

We have audited the financial statements of Delta Limited for the period ended 26 December 2015 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 23. 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 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 Directors' Report 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 26 December 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.



Mark Doleman (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Nottingham

Date: 30 August 2016,

Delta Limited (Registered number: 00026077)

Profit and Loss Account  
for the Period 28 December 2014 to 26 December 2015

	Notes	Period 28.12.14 to 26.12.15		Period 29.12.13 to 27.12.14	
		£'000	£'000	£'000	£'000
<b>TURNOVER</b>			-		-
Administrative expenses			<u>(20,720)</u>		<u>(14,839)</u>
<b>OPERATING LOSS</b>	4		(20,720)		(14,839)
Income from shares in group undertakings	6	21,639		315,110	
Expected return on defined benefit assets	21	16,500		15,800	
Interest receivable and similar income	7	<u>24,740</u>		<u>26,215</u>	
			<u>62,879</u>		<u>357,125</u>
			42,159		342,286
Amounts written off investments	8		<u>(21,824)</u>		<u>(313,990)</u>
			20,335		28,296
Interest payable and similar charges	9	-		(2)	
Expected interest on defined benefit liabilities	21	<u>(16,100)</u>		<u>(17,400)</u>	
			<u>(16,100)</u>		<u>(17,402)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			4,235		10,894
Tax on profit on ordinary activities	10		<u>(2,469)</u>		<u>(2,614)</u>
<b>PROFIT FOR THE FINANCIAL PERIOD</b>			<u>1,766</u>		<u>8,280</u>

**CONTINUING OPERATIONS**

None of the Company's activities were acquired or discontinued during the current period or previous period.



Delta Limited (Registered number: 00026077)

Statement of Total Recognised Gains and Losses  
for the Period 28 December 2014 to 26 December 2015

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
<b>PROFIT FOR THE FINANCIAL PERIOD</b>	1,766	8,280
Actuarial loss on defined benefit scheme	<u>(35,075)</u>	<u>(12,127)</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD</b>	<u>(33,309)</u>	<u>(3,847)</u>

The notes form part of these financial statements

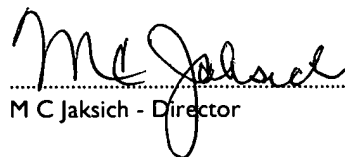
Delta Limited (Registered number: 00026077)

Balance Sheet  
26 December 2015

	Notes	26.12.15 £'000	£'000	27.12.14 £'000	£'000
<b>FIXED ASSETS</b>					
Investments	12		304,674		346,749
<b>CURRENT ASSETS</b>					
Debtors	13	20,066		14,965	
Cash at bank	14	<u>43,875</u>		<u>27,766</u>	
		63,941		42,731	
<b>CREDITORS</b>					
Amounts falling due within one year	15	<u>(2,270)</u>		<u>(1,757)</u>	
<b>NET CURRENT ASSETS</b>			<u>61,671</u>		<u>40,974</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			366,345		387,723
<b>CREDITORS</b>					
Amounts falling due after more than one year	16		(1,619)		(1,888)
<b>PROVISIONS FOR LIABILITIES</b>	18		(500)		-
<b>PENSION LIABILITY</b>	21		<u>(120,200)</u>		<u>(96,500)</u>
<b>NET ASSETS</b>			<u>244,026</u>		<u>289,335</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		38,441		38,441
Share premium	20		33,998		33,998
Capital contribution reserve	20		2,893		2,893
Profit and loss account	20		<u>168,694</u>		<u>214,003</u>
<b>SHAREHOLDERS' FUNDS</b>	23		<u>244,026</u>		<u>289,335</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on August 25 2016 and were signed on its behalf by:

  
M C Jaksich - Director

Notes to the Financial Statements  
for the Period 28 December 2014 to 26 December 2015

**I. ACCOUNTING POLICIES**

**Going concern**

In preparing the financial statements, the directors have adopted the going concern basis. The Company has net cash balances of £43.9 million at 26 December 2015, 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.

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, in accordance with UK generally accepted accounting principles.

The 2015 results have been prepared for the period 28 December 2014 to 26 December 2015. The 2014 results have been prepared for the period 29 December 2013 to 27 December 2014. The year-end date for the company has changed to 27 December 2014. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc. (Valmont), its parent.

The directors have taken advantage of the exemption from producing a cash flow statement under FRS 1 as it is a subsidiary undertaking of Valmont, where 100% of the voting rights are controlled within the group, and the consolidated financial statements of Valmont are publicly available. See note 22, for further details of this ultimate parent undertaking.

The directors have taken advantage of the exemption offered under FRS 8 not to disclose related party transactions when the transaction is between companies in the same group.

**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, a company registered in the US.

**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.

**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.

**I. ACCOUNTING POLICIES - continued**

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

The current service cost 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 expected return on assets of funded defined benefit pension plans is recorded in investment income in the profit and loss account. The expected interest on pension plan liabilities is recorded in finance costs in the profit and loss account.

**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.

**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.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

1. **ACCOUNTING POLICIES - continued**

**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:

**Pensions (see note 21)**

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.

2. **STAFF COSTS**

There were no staff costs for the period ended 26 December 2015 nor for the period ended 27 December 2014.

3. **DIRECTORS' REMUNERATION AND TRANSACTIONS**

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Emoluments	-	-

**Directors' transactions**

There were no transactions with directors during the year.

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

4. OPERATING LOSS

The operating loss is stated after charging:

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Auditor's remuneration - company	42	39
Auditor's remuneration - subsidiary entities*	30	18
Foreign exchange differences	<u>19,555</u>	<u>14,010</u>

\* Auditor's remuneration for subsidiary entities was not paid to Deloitte LLP.

5. EXCEPTIONAL ITEMS

During the preceding year, Delta Limited and a number of its subsidiary companies concluded a restructuring exercise. This involved a simplification of the capital structure of most of the subsidiary companies involved and last year, a distribution by way of dividend of loan notes held in those subsidiaries.

This restructuring exercise led to £nil (2014: £315 million) of additional dividends being received by Delta Limited and also a permanent diminution in value of fixed asset investments of £nil (2014: £315 million) being recognised through the profit and loss account.

6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Income from shares in group undertakings	<u>21,639</u>	<u>315,110</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Other interest received	117	74
Interest receivable from group undertakings	<u>24,623</u>	<u>26,141</u>
	<u>24,740</u>	<u>26,215</u>

8. AMOUNTS WRITTEN OFF INVESTMENTS

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Provision for diminution in value of fixed asset investments	<u>21,824</u>	<u>313,990</u>

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

**9. INTEREST PAYABLE AND SIMILAR CHARGES**

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Other interest paid	<u>-</u>	<u>2</u>

**10. TAXATION**

**Analysis of the tax charge**

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

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Current tax:		
Foreign tax	<u>2,469</u>	<u>2,614</u>
Tax on profit on ordinary activities	<u>2,469</u>	<u>2,614</u>

**Factors affecting the tax charge**

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

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Profit on ordinary activities before tax	<u>4,235</u>	<u>10,894</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.258% (2014 - 21.511%)	858	2,343
Effects of:		
Tax effect of overseas dividends not assessable for tax	(4,384)	(67,783)
Short term timing differences	(2,588)	(2,451)
Income not taxable / expenses not deductible	4,040	66,913
Tax effect of transfer pricing adjustments	(2)	(2)
Tax effect of group relief surrendered	-	5
Tax effect of unrelieved current losses	2,076	975
Foreign tax not recoverable under double taxation relief	<u>2,469</u>	<u>2,614</u>
Current tax charge	<u>2,469</u>	<u>2,614</u>

The rate of current tax used in the reconciliation above is 20.258%. This is a blended rate used to reflect the rate of tax falling from 21% to 20% partway through the period.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

11. DIVIDENDS

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000
Ordinary shares of 25p each Interim	<u>12,000</u>	<u>15,000</u>

12. FIXED ASSET INVESTMENTS

	26.12.15 £'000	27.12.14 £'000
Shares in group undertakings	23,234	45,057
Loans to group undertakings	<u>281,440</u>	<u>301,692</u>
	<u>304,674</u>	<u>346,749</u>

Additional information is as follows:

	Shares in group undertakings £'000
<b>COST</b>	
At 28 December 2014	873,791
Disposals	<u>(24,340)</u>
At 26 December 2015	<u>849,451</u>
<b>PROVISIONS</b>	
At 28 December 2014	828,734
Provision for period	21,823
Eliminated on disposal	<u>(24,340)</u>
At 26 December 2015	<u>826,217</u>
<b>NET BOOK VALUE</b>	
At 26 December 2015	<u>23,234</u>
At 27 December 2014	<u>45,057</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 £849,451,123 (2014: £873,791,477).

	Loans to group undertakings £'000
At 28 December 2014	301,692
Foreign exchange movement	<u>(20,252)</u>
At 26 December 2015	<u>281,440</u>

The loans to group undertakings are represented by loan notes that are repayable in 2042 and attract interest at a rate of 8.4% per annum.



Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

## 12. FIXED ASSET INVESTMENTS - continued

The Company has investments in the following 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	Delta Enfield Cables (Holdings) Limited	Direct	100%	Dormant company
United Kingdom	Delta Electrical Limited	Direct	100%	Dormant company
United Kingdom	Bill Switchgear Limited	Direct	100%	Dormant company
United Kingdom	The Delta Metal Company 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	Solent Repetition Limited	Indirect	100%	Dormant company
United Kingdom	Johnson & Phillips Limited	Indirect	100%	Dormant company

The Company has investments in the following associate 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.

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Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

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

	26.12.15	27.12.14
	£'000	£'000
Amounts owed by group undertakings	19,910	14,741
Other debtors	<u>156</u>	<u>224</u>
	<u>20,066</u>	<u>14,965</u>

**Deferred tax not recognised:**

	26.12.15	27.12.14
	£'000	£'000
Tax losses	(23,818)	(21,746)
Retirement benefit obligations	<u>(24,040)</u>	<u>(19,300)</u>
	<u>(47,858)</u>	<u>(41,046)</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.

14. **CASH AT BANK**

Cash as at 26 December 2015 includes money market funds of £42,694,631 (2014: £20,596,136) and other bank balances of £1,179,994 (2014: £7,169,818).

Included in other bank balances as at 26 December 2015 £53,441 (2014: £62,082) 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.

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

	26.12.15	27.12.14
	£'000	£'000
Trade creditors	72	46
Taxation and social security	1,979	1,465
Other creditors	<u>219</u>	<u>246</u>
	<u>2,270</u>	<u>1,757</u>

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	26.12.15	27.12.14
	£'000	£'000
Amounts owed to group undertakings	<u>1,619</u>	<u>1,888</u>

These amounts are interest free and repayable on demand, however this is at the discretion of the directors of Delta Limited. There are no current plans to repay these loans within one year.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

17. 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 year end date, the fair value of the forward foreign exchange contract was £1,220,569 (2014: £591,018) and the contract was completed on 5 January 2016 (2014: 5 January 2015).

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.

18. PROVISIONS FOR LIABILITIES

	26.12.15	27.12.14
	£'000	£'000
Other provisions	<u>500</u>	<u>-</u>

The Company is involved in claims and lawsuits incidental to its business. At the year end, an accrual of £0.5 million is included in provisions for liabilities in the Company's balance sheet pertaining to an ongoing legacy matter.

19. CALLED UP SHARE CAPITAL

Ordinary shares	31.12.11	25.12.10
	£'000	£'000
Authorised 188,000,000 ordinary shares of 25p each	<u>47,000</u>	<u>47,000</u>
Issued and fully paid 153,763,755 ordinary shares of 25p each	<u>38,441</u>	<u>38,441</u>

The Company has one class of ordinary share. There has been no change in the number of issued shares during the year.

20. RESERVES

	Profit and loss account £'000	Share premium £'000	Capital contribution reserve £'000	Totals £'000
At 28 December 2014	214,003	33,998	2,893	250,894
Profit for the period	1,766	-	-	1,766
Dividends	(12,000)	-	-	(12,000)
Actuarial losses	<u>(35,075)</u>	<u>-</u>	<u>-</u>	<u>(35,075)</u>
At 26 December 2015	<u>168,694</u>	<u>33,998</u>	<u>2,893</u>	<u>205,585</u>
Profit and loss account excluding pension liability	288,894			
Pension deficit	<u>(120,200)</u>			
Profit and loss account	<u>168,694</u>			

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

21. **EMPLOYEE BENEFIT OBLIGATIONS**

**Defined benefit scheme**

The company operates a funded defined benefit scheme for qualifying employees in the United Kingdom via the Delta Pension Plan (DPP). Under the DPP, participants are entitled to pension retirement benefits of 1.67% of final salary per year of service on attainment of a retirement age of 65 years.

The company has opted to recognise all actuarial gains and losses immediately via the statement of total recognised gains and losses.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Present value of funded obligations	(467,500)	(445,000)
Fair value of plan assets	<u>347,300</u>	<u>348,500</u>
	(120,200)	(96,500)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(120,200)</u>	<u>(96,500)</u>
Net liability	<u>(120,200)</u>	<u>(96,500)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Current service cost	-	-
Interest cost	16,100	17,400
Expected return	(16,500)	(15,800)
Past service cost	<u>-</u>	<u>-</u>
	<u>(400)</u>	<u>1,600</u>
Actual return on plan assets	<u>(175)</u>	<u>44,273</u>

Current service cost and losses on settlements are included in administrative expenses.

Following completion of the triennial valuation at 31 March 2012 employer funding contributions have been set at £10 million per annum in accordance with the Plan's 10-year recovery plan, along with a contribution to cover the administrative costs of the Plan of approximately £1.0 million per annum.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

21. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Opening defined benefit obligation	445,000	395,800
Interest cost	16,100	17,400
Actuarial losses/(gains)	18,400	40,600
Benefits paid	<u>(12,000)</u>	<u>(8,800)</u>
	<u>467,500</u>	<u>445,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Opening fair value of scheme assets	348,500	302,050
Contributions by employer	10,975	10,977
Expected return	16,500	15,800
Actuarial gains/(losses)	<u>(16,675)</u>	<u>28,473</u>
Benefits paid	<u>(12,000)</u>	<u>(8,800)</u>
	<u>347,300</u>	<u>348,500</u>

The amounts recognised in the statement of recognised gains and losses are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Actuarial losses	<u>(35,075)</u>	<u>(12,150)</u>
	<u>(35,075)</u>	<u>(12,150)</u>
Cumulative amount of actuarial losses	<u>(126,386)</u>	<u>(91,311)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	26.12.15	27.12.14
	£'000	£'000
Equity instruments	113,700	113,500
Debt instruments	152,700	156,200
Cash	2,800	7,600
Diversified growth funds	<u>78,100</u>	<u>71,200</u>
	<u>347,300</u>	<u>348,500</u>

21. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

**Details of valuation assumptions for the purposes of this Annual Report**

The most recent actuarial valuation of the DPP's assets and liabilities for financial reporting purposes was performed as at 26 December 2015 by independent actuaries AON Hewitt Limited. The projected unit credit method was used for valuation purposes. The projected unit credit method is an accrued benefits valuation method.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	26.12.15	27.12.14
Discount rate	3.75%	3.65%
Inflation rate (RPI)	3.25%	3.20%
Expected return on equity instruments	7.00%	7.00%
Expected return on debt instruments	2.90%	2.80%
Expected return on cash	2.30%	2.10%
Future pension increases	3.10%	3.00%
Expected return on DGFs	7.00%	7.00%

Mortality assumptions:

	100%/85% of S2PxA with future improvements in line with CMI 2014 projections applied from 2007 with a long term rate of 1.50%	95%/90% of SINxA with future improvements in line with CMI 2010 projections applied from 2002 with a long term rate of 1.25%
Expected future lifetimes from age 65		
- Males aged 45	24.7 years	24.9 years
- Females aged 45	28.4 years	27.8 years
- Males aged 65	22.6 years	23.1 years
- Females aged 65	26.1 years	25.9 years

The expected return on DPP assets is a blended average of projected long-term returns for the various asset classes. Asset class returns are based on a forward-looking building block approach. Equity returns are developed based on the selection of an equity risk premium above the risk-free rate which is measured in accordance with yields on government bonds. Bond returns are selected by reference to the yields on government and corporate debt as appropriate to the DPP holdings of these instruments.

The estimated sensitivities regarding the principal assumptions used to measure the scheme liabilities as above are set out as follows:

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 9%
Inflation rate	Increase/decrease by 0.5%	Increase/decrease by 6%
Rate of mortality	Increase by 1 year	Increase by 3%

The expected rates of return on each of the scheme assets are disclosed in the valuation assumptions section above. The DPP assets do not include any of the Company's own financial instruments, nor any property occupied by, or other assets used by, the Company.

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

Amounts for the current and previous four periods are as follows:

	Period 28.12.14 to 26.12.15 £'000	Period 29.12.13 to 27.12.14 £'000	Period 30.12.12 to 28.12.13 £'000	Period 1.1.12 to 29.12.12 £'000	Period 26.12.10 to 31.12.11 £'000
<b>Defined benefit pension plans</b>					
Defined benefit obligation	(467,500)	(445,000)	(395,800)	(370,800)	(319,300)
Fair value of scheme assets	347,300	348,500	302,050	301,300	275,200
Deficit	(120,200)	(96,500)	(93,750)	(69,500)	(44,100)
Experience adjustments on scheme liabilities	(900)	40,600	23,800	44,100	16,100
Experience adjustments on scheme assets	(16,675)	28,450	(7,800)	14,000	29,500

**Additional information with respect to the DPP**

Triennial valuation

The triennial valuation for the DPP as at 31 March 2015 is in the process of being completed. At the last valuation, as of 31 March 2012, the DPP's assets totalled £280.5 million and its liabilities totalled £376.4 million, resulting in a net deficit of £95.9 million. The following assumptions were employed: discount rate 4.55%; annual pension increases: from 3.2% to 3.5%; cash commutation: 25%; and price inflation: 3.35%. Mortality tables used were 95%(m)/90%(f) of the standard SAPS tables with CMI2010 1.25% long term improvements from 2002, for both pensioner and non-pensioner members.

Analysis of scheme assets

The scheme assets of the Delta Pension Plan at 26 December 2015 may be further analysed as follows:

	2015 £'000
UK index tracking equity instruments	8,200
Non UK index tracking equity instruments	105,200
Overseas equities	300
	<hr/>
Total equity instruments	113,700
UK corporate bonds	68,700
UK government bonds - index linked	84,000
	<hr/>
Total debt instruments and insured policies	152,700
Diversified growth funds	78,100
Property	Nil
Cash	2,800
	<hr/>
	<u>347,300</u>

Of the above table's asset values, 77.4 % is managed by Legal & General Investment Management, 13.5% is managed by Schroders, 9.0% is managed by Fulcrum, 0.1% is managed by Morgan Stanley and less than 0.1% is held as cash in the trustee's bank account and by Blackrock Investment Management (UK) Ltd, a total of 100%. The Trustee receives advice regarding investment strategy and asset allocation from Towers Watson.

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

21. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

In the following tables, 'M' denotes Male, 'F' denotes Female, and 'T' denotes Total. 'Current' denotes participants in current employment with the Company's UK businesses. 'Deferred' denotes participants who have departed the Company's UK businesses, however are not yet drawing a pension. 'Pensioners' are those in receipt of a pension.

The number of plan participants as at 26 December 2015 for the years below was as follows:

Number of participants	Current	Deferred	Pensioners	Total
31 December 2009	7	6,694	507	7,208
25 December 2010	6	6,402	706	7,114
31 December 2011	-	6,018	950	6,968
29 December 2012	-	5,481	1,178	6,659
28 December 2013	-	5,017	1,355	6,372
27 December 2014	-	4,708	1,545	6,253
26 December 2015	-	4,399	1,742	6,141

The 6,141 plan participants at 26 December 2015 may be analysed as follows:

Age	Current			Deferred			Pensioners			Total		
	F	T	M	F	T	M	F	T	M	F	T	
25-34	-	-	11	2	13	6	4	10	17	6	23	
35-44	-	-	336	168	504	-	2	2	336	170	506	
45-54	-	-	1,250	574	1,824	7	18	25	1,257	592	1,849	
55-64	-	-	1,372	358	1,730	320	274	594	1,692	632	2,324	
65-74	-	-	183	10	193	894	200	1,094	1,077	210	1,287	
75-84	-	-	113	4	117	7	8	15	120	12	132	
85+	-	-	18	-	18	1	1	2	19	2	20	
Total	-	-	3,283	1,116	4,399	1,235	507	1,742	4,518	1,623	6,141	

The liabilities of the Delta Pension Plan as at 26 December 2015 pertained to the participant population as follows (estimate based on 31 March 2012 valuation):

Age	Current	Deferred	Pensioners	Total
25-34	-	1.0	-	1.0
35-44	-	30.2	0.5	30.7
45-54	-	153.5	3.1	156.6
55-64	-	158.4	51.3	209.7
65-74	-	9.5	59.4	68.9
75-84	-	0.1	0.3	0.4
85+	-	0.1	0.1	0.2
Total	£Nil	£352.8m	£114.7m	£467.5m

**Deferred tax**

Included in note 13 to the financial statements is an unrecognised deferred tax asset of £24,040,000 (2014: £19,300,000) relating to the defined benefit pension scheme liability.

**Defined contribution scheme**

The company does not operate a defined contribution scheme.



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Notes to the Financial Statements - continued  
for the Period 28 December 2014 to 26 December 2015

**22. 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).

**23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	26.12.15	27.12.14
	£'000	£'000
Profit for the financial period	1,766	8,280
Dividends	<u>(12,000)</u>	<u>(15,000)</u>
	(10,234)	(6,720)
Other recognised gains and losses relating to the period (net)	<u>(35,075)</u>	<u>(12,127)</u>
<b>Net reduction of shareholders' funds</b>	<b>(45,309)</b>	<b>(18,847)</b>
Opening shareholders' funds	<u>289,335</u>	<u>308,182</u>
<b>Closing shareholders' funds</b>	<b><u>244,026</u></b>	<b><u>289,335</u></b>