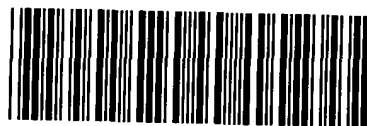


C A Sothers Limited

**Annual report and financial statements
for the year ended 31 December 2014**

Registered number: 2325172

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Contents

Company information	2
Directors' report	3
Independent auditor's report	6
Profit and loss account	8
Balance sheet	9
Notes to the financial statement	10

Company information

Directors	P S Laidlaw M J Atkins (resigned 31 October 2014) P Hughes
Company secretary	I Rajakumar
Company number	2325172
Registered office	Phoenix House Lakeside Drive Centre Park Warrington Cheshire WA1 1RX
Independent auditors	Ernst & Young LLP 1 More London Place London SE1 2AF United Kingdom
Bankers	Barclays Bank PLC 1 Churchill Place Canary Wharf London E14 5HP

Directors' report

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

Directors

The directors who served during the period, and up to the date of the financial statements were signed were:

P S Laidlaw

M J Atkins (resigned 31 October 2014)

P J Hughes (appointed 01 February 2014)

None of the directors had any interest in the share capital of the company or any other group company.

Dividends

No dividends were paid in the current period (2013: £nil).

Future developments

As part of the group restructuring on 31 December 2013, all the assets and liabilities of the Rotary companies as at that date were transferred to Rotary Building Services Limited (RBSL). During the year the company traded on behalf of RBSL and for the beneficial interest of RBSL. The company will continue to act on behalf of RBSL until the directors consider otherwise.

Events since the balance sheet date

There is no material event since the balance sheet date.

Financial instrument risk

The company has no financial instruments of its own.

Going concern

The entity has no revenue, operations and cashflows of its own, it is therefore reliant on the financial support of its ultimate parent, Lorne Stewart Plc to continue to operate as a going concern. These financial statements have been prepared on a going concern basis as Lorne Stewart Plc has indicated its willingness to provide financial support to the company for a period of at least 12 months from the date these financial statements were signed.

Political and charitable donations

During the year the company did not make any donations (2013: £nil). The company has not made any political donations or incurred any political expenditure during the year.

Human resources

The company's most important resource is its people; their knowledge and experience is crucial to meeting customer requirements, and the company recognises that by attracting, developing and maintaining quality

Directors' report (continued)

Staff, it will continue to deliver the highest standards to our clients. A high level of competence is maintained through regular performance and ability reviews across all levels of our workforce, and the company is committed to providing training and development to ensure that our workforce remains competent and safe in carrying out their daily roles and responsibilities. Our training and development policies are constantly reviewed to mirror our needs in a challenging and developing market place.

Employees

The company places great emphasis on developing a range of employment policies to encourage the commitment of employees of all levels to the success of their company. The directors are aware of their social responsibility towards disabled persons. It is company policy not to discriminate against applications for employment from disabled persons who are capable of meeting the requirements of that particular employment and to provide equal opportunity for training and advancement, in so far as circumstances permit, to all disabled persons.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the in-house newspaper and newsletters, briefing groups and the distribution of the annual report.

Strategic report

The company has taken the exemption of section 414B of the Companies Act 2006 for the requirement to prepare a strategic report for the financial year.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Independent auditors

Ernst & Young LLP were appointed auditors during the year. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will continue in the office

This report was approved by the board on 9 Sept 15 and signed on its behalf.



P S Laidlaw
Director

Phoenix House
Lakeside Drive
Centre Park
Warrington
Cheshire
WA1 1RX

9 September 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 their profit or loss for that period.

In preparing each of the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of C A Sothers Limited

We have audited the financial statements of C A Sothers Limited for the year ended 31 December 2014, which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor's 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 auditor

As explained more fully in the Statement of directors' responsibilities set out on page 6, 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 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 31 December 2014 and of its results for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of C A Sothers Limited (continued)

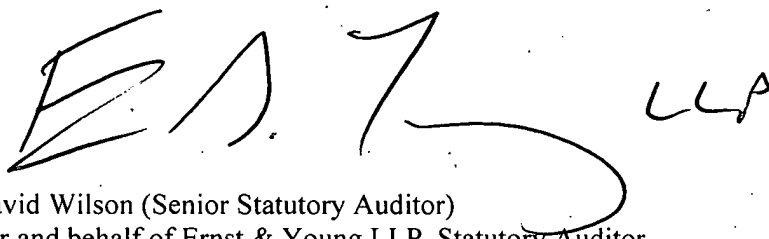
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report 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 not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.

A large, stylized handwritten signature in black ink, appearing to read 'EY LLP', is written over the printed name and title of the auditor.

David Wilson (Senior Statutory Auditor)
For and behalf of Ernst & Young LLP, Statutory Auditor
London

11 SEP 2015

Profit and loss account
For the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Turnover	2	-	12,193
Cost of sales		-	(12,913)
Gross loss		-	(720)
Administrative expenses		-	(1,167)
Operating result	3	-	(1,887)
Interest receivable and similar income		-	-
Result on ordinary activities before taxation		-	(1,887)
Tax on loss on ordinary activities	6	-	88
Result for the financial period		-	(1,799)

All amounts relate to discontinued operations.

Statement of Total Recognised Gains and Losses
for the year ending 31 December 2014

	2014 £000	2013 £000
Loss for the financial year	-	(1,799)
Capital Contribution from Parent Company	-	3,822
Total gain since last annual report	-	2,023

There is no material difference between the result on ordinary activities before taxation and the result for the financial period stated above and their historical costs equivalents.

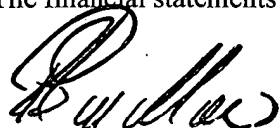
The notes on pages 10 to 15 form part of these financial statements.

Balance sheet
As at 31 December 2014

	Note	2014 £'000	2013 £'000
Current assets			
Debtors: amounts falling due within one year	7	<u>125</u>	<u>125</u>
Net assets		<u>125</u>	<u>125</u>
Capital and reserves			
Called up share capital	8	125	125
Profit and loss account & reserves		<u>-</u>	<u>-</u>
Total shareholders' fund	9	<u>125</u>	<u>125</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



P S Laidlaw
Director

9.9.15

The notes on pages 10 to 15 form part of these financial statements

Notes

(forming part of the financial statements)

1. Accounting policies

1.1 Basis of preparation of financial statements

These financial statements have been prepared on a going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom (United Kingdom Generally Accepted Accounting Practice). The principal accounting policies, which have been applied consistently throughout the period are set out below.

As the company is a wholly owned subsidiary of a parent company which produces consolidated financial statements in which the company is included, and which are publicly available, the company has taken advantage of the exemption in FRS1 (revised 1996) not to prepare a cash flow statement.

As part of the group restructuring on 31 December 2013, all the assets and liabilities of the Rotary companies as at that date were transferred to RBSL. The entity continues to trade on behalf of RBSL and for the beneficial interest of RBSL. Therefore the profit and loss of the entity does not present any financial performance of its own.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Fixtures and fittings	- 30% on reducing balance
Computer equipment	- 25% straight line

1.3 Long-term contracts

Turnover on long term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. Where turnover in respect of long-term contracts exceeds payments on account, that excess is separately disclosed in debtors as 'Amounts recoverable on contracts'. Payments received on account in excess of turnover are classified as 'Payments received on account' and separately disclosed within creditors.

1.4 Turnover

Turnover represents the value of contracting work executed during the year, excluding value added tax.

Notes *(continued)*
(forming part of the financial statements)

1.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

1.6 Pensions

The company operates a defined contribution scheme for employees and the cost of funding the defined contribution scheme is charged to the profit and loss account as incurred.

1.7 Going concern

The entity has no revenue, operations and cashflows of its own, it is therefore reliant on the financial support of its ultimate parent, Lorne Stewart Plc to continue to operate as a going concern. These financial statements have been prepared on a going concern basis as Lorne Stewart Plc has indicated its willingness to provide financial support to the company for a period of at least 12 months from the date these financial statements were signed.

1.8 Leasing and hire purchase agreements

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2. Turnover

Turnover relates to the company's main activity which is carried out in the United Kingdom.

3. Operating expenses

Operating result is from the discontinued operations and is stated after charging:

	2014 £'000	2013 £'000
Depreciation of tangible fixed assets	-	11
Auditor's Remuneration	-	5
Operating Lease Rentals	-	4
Hire of plant and machinery	-	178
Staff costs (note 4)	-	2,766
Restructuring costs	-	68

The audit fees are paid by Rotary Building Services Limited, the company's parent undertaking.

Notes *(continued)*
(forming part of the financial statements)

4. Employee information

Staff costs, including directors' remuneration, were as follows:

	2014 £'000	2013 £'000
Wages and salaries	-	2,504
Social security costs	-	257
Other pension costs	-	5
	<hr/>	<hr/>
		2,766

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

	2014 Number	2013 Number
Operatives	-	25
Office and management	-	23
	<hr/>	<hr/>
		48

5. Directors' remuneration

	2014 £'000	2013 £'000
Aggregate emoluments	<hr/>	<hr/>
	-	117

During the period no retirement benefits were accruing to the Directors (2013 : 1) in respect of money purchase schemes.

The highest paid director received remuneration of nil (2013: £87,000).

Two directors of the Company were remunerated by Rotary Building Services Limited, the company's parent undertaking, in respect of their services to the Group as a whole and it is not possible to identify separately the amounts relating to their services to the Company.

One other Director is also a director of Rotary Building Services Limited and Lorne Stewart Plc, the Parent Company of Rotary Building Services Ltd, but remunerated by Lorne Stewart PLC and it is not possible to identify separately the amounts relating to their services to the Company

The amount paid to the directors is disclosed in the financial statements of Rotary Building Services Limited and Lorne Stewart Plc.

Notes *(continued)*
(forming part of the financial statements)

6. Tax on result on ordinary activities

	2014 £'000	2013 £'000
UK corporation tax credit on result for the year	-	(88)
	<u>-</u>	<u>(88)</u>

Factors affecting tax charge for the year/period

The tax assessed for the period is same as (2013 : lower than) the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%). The differences are explained below:

	2014 £'000	2013 £'000
Loss on ordinary activities before tax	<u>-</u>	<u>(1,887)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in UK of 21.5% (2013 : 23.25%)	-	(439)
Effects of:		
Other short term timing differences	-	(32)
Group relief	-	360
Other non taxable income	<u>-</u>	<u>23</u>
Current tax credit for the period	<u>-</u>	<u>(88)</u>

Factors affecting the tax charge in future years

The Finance Act 2013 included legislation to reduce the main rate of corporation tax from 21% to 20% from 1 April 2015.

The rate changes will impact the amount of future tax payments to be made by the company.

Notes *(continued)*
(forming part of the financial statements)

7. Debtors

	2014 £'000	2013 £'000
Amounts owed by current group undertakings	<u>125</u>	<u>125</u>
	<u>125</u>	<u>125</u>

8. Called up share capital

	2014 £'000	2013 £'000
Allotted, called up and fully paid		
5,000- Ordinary shares of £1 each	5	5
120,000- Non-voting deferred shares of £1 each	<u>120</u>	<u>120</u>
	<u>125</u>	<u>125</u>

9. Reconciliation of movement in shareholders' fund

	2014 £000	2013 £000
Opening shareholders' fund/(deficit)	125	(1,893)
Result for the financial period	-	(1,799)
Transfer to parent company	-	(5)
Capital contribution from parent company	<u>-</u>	<u>3,822</u>
Closing shareholders' fund	<u>125</u>	<u>125</u>

Notes *(continued)*
(forming part of the financial statements)

10. Related party transactions

Related parties consist of other Rotary companies in the United Kingdom, MDSL Limited, and Lorne Stewart PLC. During the year the group entered into transactions, in the ordinary course of the business, with related parties transactions entered into, and balances outstanding with related parties, are as follows:

Amount owed (to)/from related party:

	2014 £'000	2013 £'000
Amount owed by current group undertakings	125	125

Amount of transactions:

	2014 £'000	2013 £,000
Transfer of net liability to parent company	-	3,817

11. Parent undertaking and controlling party

The ultimate controlling party is Laffayette Investments Limited (registered in Jersey), whose accounts are exempt from consolidation.

The company is a subsidiary undertaking of Rotary Building Services Limited, which is itself a subsidiary undertaking of Lorne Stewart Plc, incorporated in England.

The ultimate controlling party is Laffayette Investments Limited (registered in Jersey). The smallest group in which the company is consolidated is that headed by Rotary Building Services Limited. The largest group in the United Kingdom in which the company is consolidated is Lorne Stewart Plc. Copies of Rotary Building Services Limited and Lorne Stewart Plc's accounts may be obtained from the Company Secretary, Stewart House, 420 Kenton Road, Harrow, Middlesex, HA3 9TU.