Company Registration No. SC078553 (Scotland)

LAWRIE (DEMOLITION) LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018

PAGES FOR FILING WITH REGISTRAR

LAWRIE (DEMOLITION) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Company Registration No. SC078553

LAWRIE (DEMOLITION) LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		140,355		173,632
Current assets					
Debtors	4	1,373,620		1,245,992	
Cash at bank and in hand		59,182		676,027	
		1,432,802		1,922,019	
Creditors: amounts falling due within one year	5	(492,058)		(692,918)	
Net current assets			940,744		1,229,101
Total assets less current liabilities			1,081,099		1,402,733
Creditors: amounts falling due after more than one year	6		(16,125)		(48,375)
Provisions for liabilities	8		-		(93,021)
Net assets			1,064,974		1,261,337
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves	10		1,064,874		1,261,237
Total equity			1,064,974		1,261,337

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 26/9/19 and are signed on its behalf by:

....

Mr I A Leith
Director

1 Accounting policies

Company information
Lawrie (Demolition) Limited is a private company limited by shares incorporated in Scotland. The registered office is Rigifa, Cove, Aberdeen, AB12 3LR.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime and under the historical cost convention.

The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The principle accounting policies adopted are set out below.

Going concern
The directors are disappointed with the loss in this financial year, but forecast that the company will return to trading profitably in the foreseeable future. The company has built up sufficient reserves to cover any future unforeseeable losses and has the support of its parent company, Leiths (Scotland) Limited. Consequently the directors continue to adopt the going concern basis.

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts is recognised by reference to the stage of completion, when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable. When it is probable that total contact costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Tangible fixed assets
Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10% - 20% straight line
Computer equipment	10% and 20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (Continued)

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Impairment of fixed assets
At each reporting date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, an impairment is recognised immediately in the profit or loss.

Financial instruments
The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets, which include trade, group and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including trade and other payables, and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments
Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deducible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1 Accounting policies (Continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

All other leases are operating leases and the annual rentals are charged to profit or loss on a straight line basis over the lease term.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 13 (2017 - 15).

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2018	867,002
Additions	32,200
At 31 December 2018	899,202
Depreciation and impairment	
At 1 January 2018	693,370
Depreciation charged in the year	65,477
At 31 December 2018	758,847
Carrying amount	
At 31 December 2018	140,355
At 31 December 2017	173,632

The net book value of plant and machinery includes £75,250 (2017 - £96,750) in respect of assets held under finance leases.

4 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	57,821	25,973
Corporation tax recoverable	15,757	-
Amounts owed by group undertakings	981,244	901,389
Other debtors	318,798	318,630
	1,373,620	1,245,992

5 Creditors: amounts falling due within one year

		2018 £	2017 £
Obligations under finance leases	7	32,250	32,250
Trade creditors		105,828	174,289
Amounts due to group undertakings		156,941	75,207
Other taxation and social security		12,213	32,030
Other creditors		100	-
Accruals and deferred income		184,726	379,142
		492,058	692,918

6 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Obligations under finance leases	7	16,125	48,375

7 Finance lease obligations

Future minimum lease payments due under finance leases:	2018 £	2017 £
Less than one year	32,250	32,250
Between one and five years	16,125	48,375
	48,375	80,625

The finance lease obligations relate to hire purchase contracts that are secured over the fixed assets to which they relate.

8 Provisions for liabilities

	2018	2017
	£	£
Onerous contract	-	93,021

During the prior year a loss-making contract was identified. The full loss of the contract was therefore provided for. The contract is now complete and therefore the provision has been released.

Movements on provisions:

	Onerous contract
	£
At 1 January 2018	93,021
Utilisation of provision	(93,021)
At 31 December 2018	-

9 Called up share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

10 Profit and loss reserves

	2018	2017
	£	£
At the beginning of the year	1,261,237	1,585,871
Loss for the year	(196,363)	(324,634)
At the end of the year	1,064,874	1,261,237

11 Financial commitments, guarantees and contingent liabilities

There is a group facility in place between Leiths (Scotland) Limited, Markon Limited, Lawrie (Demolition) Limited, Joss (Aberdeen) Limited, Howie Minerals Limited, Alexander Ross & Sons (Sand and Gravel) Limited, Leiths (Central) Limited, and Leiths (Scotland) Limited. The bank borrowings are secured by a floating charge over the assets and undertakings of the companies noted above. The group has also provided standard security over some of its properties however the parent company, Leiths (Scotland) Limited, has provided a counter indemnity for all borrowings.

12 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018	2017
	£	£
Within one year	4,299	4,299
Between one and five years	3,582	7,881
	7,881	12,180

13 Consolidated accounts

The company is a fully-owned subsidiary of Leiths (Scotland) Limited, a company incorporated in Scotland. Leiths (Scotland) Limited is the ultimate parent company and is the largest and smallest group for which consolidated accounts including Lawrie (Demolition) Limited are prepared. The registered office address of Leiths (Scotland) Limited is Rigifa, Cove, Aberdeen, AB12 3LR.

14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Cameron Bruce.
The auditor was RSM UK Audit LLP.