

Company Registration No. 08321265 (England and Wales)

**LIDLAW ESTATES (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

# LAIDLAW ESTATES (UK) LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr M J Waugh	(Appointed 8 March 2019)
<b>Company number</b>	08321265	
<b>Registered office</b>	3rd Floor 33 Robert Adam Street London W1U 3HR	
<b>Auditor</b>	Azets Audit Services Titanium 1 King's Inch Place Renfrew PA4 8WF	

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# **LIDLAW ESTATES (UK) LIMITED**

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# **LAIDLAW ESTATES (UK) LIMITED**

## **STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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The director presents the strategic report for the year ended 31 December 2019.

### **Fair review of the business**

The principal activity of the company continued to be that of real estate management and contractors on property development.

The financial key performance indicators for the year show a profit before tax of £0.03m (2018 - £1.73m) on turnover of £5.3m (2018 - £38.15m). The company has a net balance sheet value of £2.3m at 31 December 2019 (2018 - £3.43m).

### **Principal risks and uncertainties**

The management of the business and execution of the company strategy is subject to a number of risks.

The company's principal financial instruments comprise of cash and short term funding, the main purpose of which is to provide finance for normal operations.

The company has various other financial instruments such as trade debtors and creditors that arise directly from its operations.

The main risk arising from these operations is liquidity risk.

#### *Liquidity risk*

The company is funded by retained profits and other short term funding sources. The company's policy is to ensure that any projected funding requirement is covered by available resources. This mix of funding offers flexibility and cost effectiveness to match the needs of the company.

### **Risks and uncertainties - Global pandemic**

Following the global outbreak of the COVID-19 virus subsequent to the year end, the company is exposed to the following risks:

- Interruption to operations as a result of an absence of staff for a period due to either contracting the virus or measures taken to contain an outbreak at our premises;
- The company works exclusively for fellow group and related party entities, whose risks are tied predominantly to the UK property market. As such, there is a risk of a fall in revenue and decreased cash flow due to reduced trade with fellow group and related party entities as a result of changes in the UK property market.

Although it is not possible to reliably estimate the length or severity of the outbreak, at the date of signing, the company has not been adversely affected by the pandemic and is following all Government Guidelines in response to the pandemic.

On behalf of the board

Mr M J Waugh

**Director**

6 November 2020

# **LAIDLAW ESTATES (UK) LIMITED**

## **DIRECTOR'S REPORT**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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The director presents his annual report and financial statements for the year ended 31 December 2019.

### **Principal activities**

The principal activity of the company continued to be that of real estate management and contractors on property development.

### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr S Prior	(Resigned 8 March 2019)
Mr M J Waugh	(Appointed 8 March 2019)

### **Results and dividends**

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £1,500,000. The director does not recommend payment of a final dividend.

### **Auditor**

The auditor, Azets Audit Services (formerly trading as Campbell Dallas Audit Services) is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of financial instruments and associated risks.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr M J Waugh  
**Director**

6 November 2020

## **LIDLAW ESTATES (UK) LIMITED**

### **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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. He is 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.

# **LIDLAW ESTATES (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF LIDLAW ESTATES (UK) LIMITED**

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#### **Opinion**

We have audited the financial statements of Laidlaw Estates (UK) Limited (the 'company') for the year ended 31 December 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

# **LAIDLAW ESTATES (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF LAIDLAW ESTATES (UK) LIMITED**

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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 him 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.

**Greig McKnight (Senior Statutory Auditor)**  
**for and on behalf of Azets Audit Services**  
**Chartered Accountants**  
**Statutory Auditor**

6 November 2020

Titanium 1  
King's Inch Place  
Renfrew  
PA4 8WF



## LAIDLAW ESTATES (UK) LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover		5,340,970	38,146,448
Cost of sales		(4,132,868)	(32,317,807)
<b>Gross profit</b>		<b>1,208,102</b>	<b>5,828,641</b>
Administrative expenses		(1,170,371)	(4,101,026)
<b>Operating profit</b>	<b>3</b>	<b>37,731</b>	<b>1,727,615</b>
Interest payable and similar expenses	<b>6</b>	(3,676)	-
<b>Profit before taxation</b>		<b>34,055</b>	<b>1,727,615</b>
Tax on profit	<b>7</b>	327,760	(327,760)
<b>Profit for the financial year</b>		<b>361,815</b>	<b>1,399,855</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# **LIDLAW ESTATES (UK) LIMITED**

## **STATEMENT OF COMPREHENSIVE INCOME**

***FOR THE YEAR ENDED 31 DECEMBER 2019***

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	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	361,815	1,399,855
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income for the year</b>	<u>361,815</u>	<u>1,399,855</u>

# LIDLAW ESTATES (UK) LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	9		59		79
<b>Current assets</b>					
Debtors	10	1,518,992		4,007,712	
Cash at bank and in hand		1,328,235		3,570,361	
		<u>2,847,227</u>		<u>7,578,073</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(553,539)</u>		<u>(4,146,220)</u>	
<b>Net current assets</b>			2,293,688		3,431,853
<b>Total assets less current liabilities</b>			<u>2,293,747</u>		<u>3,431,932</u>
<b>Capital and reserves</b>					
Called up share capital	14		1		1
Profit and loss reserves			2,293,746		3,431,931
<b>Total equity</b>			<u>2,293,747</u>		<u>3,431,932</u>

The financial statements were approved by the board of directors and authorised for issue on 6 November 2020 and are signed on its behalf by:

Mr M J Waugh  
**Director**

**Company Registration No. 08321265**

# LIDLAW ESTATES (UK) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 January 2018</b>		1	2,032,076	2,032,077
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	1,399,855	1,399,855
<b>Balance at 31 December 2018</b>		1	3,431,931	3,431,932
<b>Year ended 31 December 2019:</b>				
Profit and total comprehensive income for the year		-	361,815	361,815
Dividends	8	-	(1,500,000)	(1,500,000)
<b>Balance at 31 December 2019</b>		1	2,293,746	2,293,747

# LIDLAW ESTATES (UK) LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	18				
		(437,480)		2,717,686	
Interest paid		(3,676)		-	
Income taxes paid		(300,970)		(171,392)	
<b>Net cash (outflow)/inflow from operating activities</b>					
		(742,126)		2,546,294	
<b>Financing activities</b>					
Dividends paid		(1,500,000)		-	
<b>Net cash used in financing activities</b>					
		(1,500,000)		-	
<b>Net (decrease)/increase in cash and cash equivalents</b>					
		(2,242,126)		2,546,294	
Cash and cash equivalents at beginning of year		3,570,361		1,024,067	
<b>Cash and cash equivalents at end of year</b>					
		1,328,235		3,570,361	

# **LIDLAW ESTATES (UK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

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### **1 Accounting policies**

#### **Company information**

Laidlaw Estates (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, 33 Robert Adam Street, London, W1U 3HR.

#### **1.1 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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The director is required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the director has considered the company's ability to meet its liabilities as they fall due.

The company also pays special attention to the recent COVID-19 outbreak and the associated impact on the business. The key risks and uncertainties to the company have been reviewed by the director and include:

- • Interruption to operations as a result of an absence of staff for a period due to either contracting the virus or measures taken to contain an outbreak at our premises;
- • The company works exclusively for fellow group and related party entities, whose risks are tied predominantly to the UK property market. As such, there is a risk of a fall in revenue and decreased cash flow due to reduced trade with fellow group and related party entities as a result of changes in the UK property market.

Although it is not possible to reliably estimate the length or severity of the outbreak, at the date of signing, the company has not been adversely affected by the pandemic and is following all Government Guidelines in response to the pandemic.

The current and future financial position of the company and its liquidity position have been reviewed by the director. As a result, the director is confident that the company's cash reserves and retained profits will provide sufficient headroom allow the company to meet its liabilities as they fall due, having considered any additional requirements arising in relation to the COVID-19 pandemic. As such, the director considers that it is appropriate to prepare the financial statements on the going concern basis.

#### **1.3 Turnover**

Turnover represents net invoiced asset management and contract charges, excluding value added tax.

Asset management charges are recognised over the relevant period. Contract costs recharged are recognised as costs are incurred.

#### **1.4 Tangible fixed assets**

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

# LAIDLAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

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:

Office equipment	25% on net book value
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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.

#### 1.5 Impairment of fixed assets

At each reporting period end 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 any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, 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.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 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 in the company's balance sheet 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.

# LAIDLAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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.



# LAIDLAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

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

### 1.9 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.

### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# LAILAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies

(Continued)

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	-	957
Fees payable to the company's auditor for the audit of the company's financial statements	6,750	7,250
Depreciation of owned tangible fixed assets	20	26
	<u>          </u>	<u>          </u>

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
	4	4
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2019	2018
	£	£
Wages and salaries	776,665	3,182,174
Social security costs	102,063	432,840
Pension costs	34,908	19,338
	<u>          </u>	<u>          </u>
	913,636	3,634,352
	<u>          </u>	<u>          </u>

# LAILAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 5 Director's remuneration

	2019 £	2018 £
Remuneration for qualifying services	432,447	2,800,984
Company pension contributions to defined contribution schemes	6,297	10,703
	<u>438,744</u>	<u>2,811,687</u>

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2019 £	2018 £
Remuneration for qualifying services	304,250	2,800,984
Company pension contributions to defined contribution schemes	202	10,703
	<u>304,452</u>	<u>2,811,687</u>

### 6 Interest payable and similar expenses

	2019 £	2018 £
<b>Other finance costs:</b>		
Other interest	3,676	-
	<u>3,676</u>	<u>-</u>

### 7 Taxation

	2019 £	2018 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	-	327,760
Adjustments in respect of prior periods	(327,760)	-
	<u>(327,760)</u>	<u>327,760</u>
Total current tax	<u>(327,760)</u>	<u>327,760</u>

# LAIDLAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 7 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	34,055	1,727,615
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	6,470	328,247
Tax effect of expenses that are not deductible in determining taxable profit	1,201	-
Tax effect of income not taxable in determining taxable profit	-	(493)
Group relief	(7,914)	-
Deferred tax not recognised	243	6
Adjustments to tax charge in respect of previous periods	(327,760)	-
Taxation (credit)/charge for the year	(327,760)	327,760

### 8 Dividends

	2019 £	2018 £
Interim paid	1,500,000	-

### 9 Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 January 2019 and 31 December 2019	331
<b>Depreciation and Impairment</b>	
At 1 January 2019	252
Depreciation charged in the year	20
At 31 December 2019	272
<b>Carrying amount</b>	
At 31 December 2019	59
At 31 December 2018	79

# LAILAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 10 Debtors

	2019	2018
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	434,630	214,138
Corporation tax recoverable	331,457	-
Other debtors	412,983	221,113
Prepayments and accrued income	339,922	3,572,461
	<u>1,518,992</u>	<u>4,007,712</u>

### 11 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	160,570	6,274
Corporation tax	-	297,273
Other taxation and social security	29,134	271,744
Other creditors	5,898	1,633
Accruals and deferred income	357,937	3,569,296
	<u>553,539</u>	<u>4,146,220</u>

### 12 Secured Debt

Metro Bank PLC holds a fixed charge on bank deposits of the company.

### 13 Retirement benefit schemes

	2019	2018
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>34,908</u>	<u>19,338</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

### 14 Share capital

	2019	2018
	£	£
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

Ordinary shares rank equally for voting rights, dividends and distribution purposes. The shares are not redeemable.

# LIDLAW ESTATES (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 15 Events after the reporting date

Disclosure with regards to the impact of the COVID-19 pandemic can be seen in note 1.2 to these financial statements.

### 16 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales	
	2019	2018
	£	£
Other related parties	99,875	41,250

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due from related parties		
Other related parties	796,576	385,431

#### Other information

The amounts outstanding are unsecured, interest free and will be settled in cash.

### 17 Ultimate controlling party

The immediate parent company is Laidlaw Estates Limited, a company registered in the Isle of Man. It's registered office is 1st Floor, Viking House, St Pauls Square, Ramsey, Isle of Man, IM8 1GB.

The Company's ultimate controlling party is Lord I A S Laidlaw.

### 18 Cash (absorbed by)/generated from operations

	2019	2018
	£	£
Profit for the year after tax	361,815	1,399,855
<b>Adjustments for:</b>		
Taxation (credited)/charged	(327,760)	327,760
Finance costs	3,676	-
Depreciation and impairment of tangible fixed assets	20	26
<b>Movements in working capital:</b>		
Decrease in debtors	2,820,177	2,334,762
Decrease in creditors	(3,295,408)	(1,344,717)
<b>Cash (absorbed by)/generated from operations</b>	<b>(437,480)</b>	<b>2,717,686</b>

## LIDLAW ESTATES (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2019*

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**19 Analysis of changes in net funds**

	1 January 2019	Cash flows	31 December 2019
	£	£	£
Cash at bank and in hand	3,570,361	(2,242,126)	1,328,235
	<u>          </u>	<u>          </u>	<u>          </u>

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