

**COMPANY REGISTRATION NUMBER: NI031208**

**LAGAN MEICA LIMITED  
(FORMERLY COASTAL  
INDUSTRIAL LIMITED)**

**FILLETED FINANCIAL  
STATEMENTS**

**31 MARCH 2021**



# **Lagan Meica Limited (formerly Coastal Industrial Limited)**

## **Financial Statements**

**Year ended 31 March 2021**

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**Lagan Meica Limited (formerly Coastal Industrial Limited)****Officers and Professional Advisers**

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<b>The board of directors</b>	N MacKenzie D Ramsey S J Loughlin
<b>Company secretary</b>	D Agnew
<b>Registered office</b>	Rosemount House 21-23 Sydenham Road Belfast BT3 9HA
<b>Auditor</b>	BDO Northern Ireland Chartered accountants & statutory auditor Lindsay House 10 Callender Street Belfast BT1 5BN
<b>Bankers</b>	Danske Bank Donegall Square West Belfast BT1 6JS
<b>Solicitors</b>	Tughans Marlborough House 30 Victoria Street Belfast BT1 3GG

**Lagan Meica Limited (formerly Coastal Industrial Limited)****Statement of Financial Position****31 March 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	6	1,961,836	207,260
Cash at bank and in hand		—	503,505
		<u>1,961,836</u>	<u>710,765</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,275,247)</u>	<u>(396,272)</u>
<b>Net current assets</b>		<u>686,589</u>	<u>314,493</u>
<b>Total assets less current liabilities</b>		<u>686,589</u>	<u>314,493</u>
<b>Net assets</b>		<u>686,589</u>	<u>314,493</u>
<b>Capital and reserves</b>			
Called up share capital		2	2
Profit and loss account		<u>686,587</u>	<u>314,491</u>
<b>Shareholders funds</b>		<u>686,589</u>	<u>314,493</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 27/09/2021 and are signed on behalf of the board by:



S J Loughlin  
Director

Company registration number: NI031208

# **Lagan Meica Limited (formerly Coastal Industrial Limited)**

## **Notes to the Financial Statements**

**Year ended 31 March 2021**

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### **1. General information**

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Rosemount House, 21-23 Sydenham Road, Belfast, BT3 9HA.

The principal activity of the company during the year was the provision of services in relation to the operation of a waste treatment at Kinnegar.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2006 (the Act) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council. The company qualifies as a small company for the period, as defined by section 382 of the Act, in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 381 of the Act and Section 1A of FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The company is a subsidiary of the Lagan Specialist Contracting Group and when assessing the ability to continue as a going concern, factors impacting the overall group have been taken into account.

The World Health Organisation declared a global pandemic on 11 March 2020 in relation to Covid-19 and subsequently on 23 March 2020 the UK Government imposed lockdown measures which have had a significant impact on both the wider economy and group operations. Initially this resulted in a temporary closure of some of the group's construction sites which lasted throughout April 2020. There was a phased reopening of sites during May and June 2020 as lockdown restrictions eased and all UK sites were operational again from the end of June 2020. The group's sites in Ireland have been further impacted by additional lockdowns during the course of FY20/21 however following the easing of the Irish restrictions in recent months all of our sites in Ireland are now also operational.

The directors had taken actions to mitigate the financial impact of the loss of revenue during this time including the use of government support measures as follows: obtaining a Coronavirus Large Business Interruption Loan Scheme (CLBILS), utilisation of Coronavirus Job Retention Scheme (CJRS), utilisation of the HMRC VAT deferral schemes and availed of business rates relief available. In addition, during April to June 2020 the directors negotiated deferral of asset finance repayments, rent reductions and salary deferrals/reductions for key staff.

**Lagan Meica Limited (formerly Coastal Industrial Limited)****Notes to the Financial Statements** *(continued)***Year ended 31 March 2021**

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**3. Accounting policies** *(continued)***Going concern** *(continued)*

The directors are pleased to announce that the above measures were successful in allowing the business to successfully trade throughout the pandemic and are positive about the outlook for the group. The directors have prepared forecasts up to 30 September 2022. Whilst there are uncertainties in these forecasts, created by the ongoing impact of the pandemic, the forecasts show that the group's secured order book remains strong and that the group has adequate financial resource to meet its obligations as they fall due.

The directors will continue to monitor the situation and take appropriate mitigating action as needed. Nonetheless, the directors believe that the measures implemented to date will allow the group to trade through these challenging times and accordingly have adopted the going concern basis when preparing the financial statements.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Key sources of estimation uncertainty*

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The directors are of the opinion that there were no material sources of estimation uncertainty applied in preparing these financial statements.

**Revenue recognition**

Turnover represents the value of goods and services supplied during the year under the company's operation and maintenance contract for Kinnegar waste treatment plant excluding value added tax, and is net of sales returns, trade discounts and rebates. Revenue is recognised when, and to the extent that, the company obtains the rights to consideration in exchange for its performance.

**Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Lagan Meica Limited (formerly Coastal Industrial Limited)****Notes to the Financial Statements** *(continued)***Year ended 31 March 2021**

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**3. Accounting policies** *(continued)***Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 50% straight line

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**Loans and borrowings**

All loans and borrowings, both assets and liabilities are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one period or on demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the period end date.

**Cash and cash equivalents**

Cash consists of cash on hand and demand deposits.

**Other financial assets**

Other financial assets comprise trade debtors, amounts due from group undertakings and other debtors. Other financial assets are initially measured at the undiscounted amount of cash receivable from that customer, which is normally the invoice price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.

**Other financial liabilities**

Other financial liabilities comprise trade creditors, amounts owed to group undertakings and accruals and deferred income. Other financial liabilities are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not at a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

# Lagan Meica Limited (formerly Coastal Industrial Limited)

## Notes to the Financial Statements (continued)

### Year ended 31 March 2021

#### 3. Accounting policies (continued)

##### Ordinary share capital

The ordinary share capital of the company is presented as equity.

#### 4. Employee numbers

The average number of persons employed by the company during the year, including directors, amounted to Nil (2020: Nil).

#### 5. Tangible assets

	Plant and machinery £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	<u>11,592</u>
<b>Depreciation</b>	
At 1 April 2020 and 31 March 2021	<u>11,592</u>
<b>Carrying amount</b>	
At 31 March 2021	<u>—</u>
At 31 March 2020	<u>—</u>

#### 6. Debtors

	2021 £	2020 £
Trade debtors	594,832	26,793
Amounts owed by group undertakings	1,336,874	71,531
Prepayments and accrued income	1,506	42,795
Corporation tax repayable	28,624	17,735
Other debtors	—	48,406
	<u>1,961,836</u>	<u>207,260</u>

All amounts are repayable within one year.

#### 7. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	754,419	—
Trade creditors	56,234	61,366
Amounts owed to group undertakings	828	5,001
Accruals and deferred income	410,024	141,060
Social security and other taxes	53,742	—
Other creditors	—	188,845
	<u>1,275,247</u>	<u>396,272</u>

At the year end, Danske Bank hold the following as security for borrowings:

- 1) An unlimited intercompany cross guarantee and indemnity from group companies;
- 2) A debenture incorporating fixed and floating charges over group assets, present and future.



# **Lagan Meica Limited (formerly Coastal Industrial Limited)**

## **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2021**

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### **8. Contingencies**

Lagan Meica Limited has provided an unlimited inter-company cross guarantee to cover any bonds in Lagan Specialist Contracting Group Holdings Limited, Lagan Construction Limited, H&J Martin Holdings Limited, F K Lowry Plant Limited, F K Lowry Limited, Dew Piling Limited, Lagan Projects Investments Limited, Lagan Operations and Maintenance Limited, Lagan International Limited, Charles Brand Group Limited, F K Lowry Holdings Limited, Lagan Operations and Maintenance Holdings Limited, Lagan Construction Group Holdings Limited, Lagan Construction Group Limited, Lagan Water Limited and Lagan Building Contractors Limited.

Due to the various factors that may impact on the above guarantees it is not possible to quantify the amounts that could be involved or give any indication as to the timing of when a liability may arise.

### **9. Summary audit opinion**

The auditor's report for the year dated 28 September 2021 was unqualified.

The senior statutory auditor was Nigel V W Harra, for and on behalf of BDO Northern Ireland.

### **10. Related party transactions**

The company has taken advantage of the exemption not to disclose any transactions with its parent or fellow 100% owned subsidiary undertakings on the grounds that it is a 100% owned subsidiary and included in the consolidated accounts of Lagan Specialist Contracting Group Holdings Limited.

At the year end 31 March 2021 there were amounts owed to beneficial owners £Nil (2020: £188,825).

No further transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 1A.

### **11. Controlling party**

The immediate parent company is Lagan Operations and Maintenance Holdings Limited, a company incorporated in Northern Ireland. The ultimate parent company is Lagan Specialist Contracting Group Holdings Limited, a company incorporated in the Isle of Man.

The smallest group for which consolidated accounts are prepared including the results of this company is Lagan Operations & Maintenance Holdings Limited, a company incorporated in Northern Ireland. These financial statements are available to the public from Companies House, 32 - 38 Linenhall Street, Belfast.

The largest group for which consolidated accounts are prepared including the results of this company is Lagan Specialist Contracting Group Holdings Limited, a company incorporated in the Isle of Man.

The company considers members of the Lagan family to be the ultimate controlling parties.

### **12. Other services provided by auditors**

In common with many other businesses of our size and nature we use our auditors to provide tax advice, prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.