

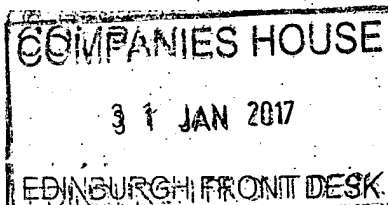
Lambert Contracts Limited

Report and Financial Statements

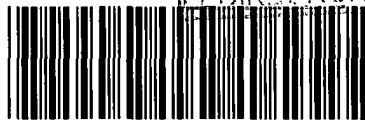
Year Ended

30 April 2016

Company Number SC096096



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COMPANIES HOUSE

Lambert Contracts Limited

Company Information

DIRECTORS

William McCall
Derek Marchant
Alexander H Fraser
Gary Clark
Michael C Collis
Euan Bennett

REGISTERED NUMBER

SC096096

REGISTERED OFFICE

108 - 110 Hawkhead Road
Paisley
Renfresshire
PA2 7BA

INDEPENDENT AUDITOR

BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

Lambert Contracts Limited

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Lambert Contracts Limited

Strategic Report For the Year Ended 30 April 2016

INTRODUCTION

The directors present their strategic report for the year ended 30 April 2016.

BUSINESS REVIEW

The Company continues to trade as insurance re-instatement specialists, as an all trades reactive and emergency response provider and as a provider of fire protection and detection maintenance.

The Company continues to be a wholly owned subsidiary of Lambert Contracts Holdings Limited, the majority of shares of that Company being held by various Investment Funds managed by Maven Capital Partners, following their investment in the Holding Company during 2013.

During the year, Greg Chalmers retired as Managing Director and Gary Clark took over the position of Managing Director, having previously been Operations Director, with two new directors also joining the Board. The new team has embarked on a process of evolving and developing the business within existing and complimentary markets. During the year, the Company supplemented its main service hub in Paisley with a new office in Aberdeen and also established a new division to cater for warranty and remedial work on new-build domestic property.

The results of the Company show a profit on ordinary activities before tax of £198k (2014/15: £272k). Turnover increased by around 19% as the company benefitted from increased trade in the insurance re-instatement division following the extensive flooding in North-East Scotland and Cumbria. This work commenced during the current year, with planned completion in the middle of the financial year to April 2017. Gross Profit improved from 26% to 29% in the same period; this was accompanied by a planned increase in overheads arising from the development of the new divisions mentioned above as well as from some one-off costs of re-engineering the company's structure.

The company believes that its employees are key to its success and have again played an important role in ensuring that customers have received excellent service throughout the period.

PRINCIPAL RISKS AND UNCERTAINTIES

The process of risk acceptance and risk management is addressed through a framework of policies and internal controls.

FINANCIAL KEY PERFORMANCE INDICATORS

The company's key financial and other performance indicators during the period were turnover and gross profit as well as various derived Key Performance Indicators such as quantity and value of new instructions, conversion rates and WIP turnover.

OTHER KEY PERFORMANCE INDICATORS

The main risks of the Company are customer retention, Health and Safety-related risks and cost control. The directors manage customer retention by ensuring that umbrella agreements are signed for customers, Health and Safety through a dedicated programme of training and support co-ordinated by their in-house team, and cost control through rigorous planning and monitoring procedures.

Lambert Contracts Limited

STRATEGIC REPORT (continued)

FINANCIAL INSTRUMENTS

The company continues to operate an overdraft facility with Bank of Scotland plc, which was renewed during the year. Maven Capital Partners LLP, as Security Trustees of Loan Notes issued by the Company's parent undertaking, continues to hold a bond and floating charge over the assets of the parent Company. During the year, the parent Company also received additional loan finance from Maven which was used to develop the business and finance the Company's comprehensive response to the invitations of work on the areas of the country hit by the floods during winter 2015.

The company operates strong credit control procedures and sees the needs to minimise financial risk at all stages as a priority.

The company meets its day-to-day working capital requirements through active management of the Work in Progress and Debtors balances.

There are no other material exposures of the company relating to prices risk, credit risk, liquidity risk and cash flow risk which are material for the assessment of the assets, liabilities, financial position and profit of the company.

This report was approved by the board on 23.01.17 and signed on its behalf.


.....
Gary Clark
Director

Lambert Contracts Limited

Directors' Report For the Year Ended 30 April 2016

The directors present their report and the financial statements for the year ended 30 April 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year was that of insurance reinstatement specialists, all trades reactive and emergency response, fire protection and detection maintenance.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £230,336 (2015 - £294,332).

DIRECTORS

The directors who served during the year were:

William McCall
Derek Marchant
Richard Elliott (resigned 3 May 2016)
Alexander H Fraser (appointed 4 August 2015)
Gary Clark
Greg Chalmers (resigned 30 June 2016)

On 3 May 2016 Michael C Collis was appointed as a director. On 9 August 2016 Euan Bennett was appointed as a director.

Lambert Contracts Limited

Directors' Report For the Year Ended 30 April 2016

FUTURE DEVELOPMENTS

The new team has embarked on a process of evolving and developing the business within existing and complimentary markets.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

On 16 May 2016 the company undertook a sale and lease back of motor vehicles with a finance house. Assets with a net book value of £196,426 were disposed of for net proceeds of £263,941.

This report was approved by the board on *23.01.17* and signed on its behalf.



.....
Gary Clark
Director

Lambert Contracts Limited

Independent Auditor's report to the members of Lambert Contracts Limited

We have audited the financial statements of Lambert Contracts Limited for the year ended 30 April 2016 which comprise the Statement of Comprehensive Income, Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors

As explained more fully in the statement of directors' responsibilities, 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

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 30 April 2016 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Lambert Contracts Limited

Independent Auditor's report to the members of Lambert Contracts Limited

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.

BDO LLP

Mark McCluskey (Senior statutory auditor)
for and on behalf of BDO LLP, Statutory auditor
Glasgow
United Kingdom

25 January 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Lambert Contracts Limited

Statement of Comprehensive Income For the Year Ended 30 April 2016

	Note	2016 £	2015 £
Turnover		11,062,110	9,297,368
Cost of sales		(7,867,288)	(6,926,283)
Gross profit		3,194,822	2,371,085
Administrative expenses		(3,018,768)	(2,135,044)
Other operating income	4	42,123	42,174
Operating profit		218,177	278,215
Interest receivable and similar income	9	59	578
Interest payable and expenses	10	(19,847)	(6,602)
Profit before tax		198,389	272,191
Tax on profit	11	31,947	22,141
Profit for the year		230,336	294,332
Other comprehensive income for the year			
Total comprehensive income for the year		230,336	294,332

The notes on pages 11 to 26 form part of these financial statements.

Lambert Contracts Limited

Registered number: SC096096

Balance Sheet As at 30 April 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	12	19,077	21,461
Tangible assets	13	384,912	282,579
		<u>403,989</u>	<u>304,040</u>
Current assets			
Stocks	14	5,247	4,948
Debtors: amounts falling due within one year	15	5,006,530	3,727,630
Cash at bank and in hand	16	211,868	25,860
		<u>5,223,645</u>	<u>3,758,438</u>
Creditors: amounts falling due within one year	17	(2,900,044)	(1,571,592)
Net current assets		<u>2,323,601</u>	<u>2,186,846</u>
Total assets less current liabilities		<u>2,727,590</u>	<u>2,490,886</u>
Creditors: amounts falling due after more than one year	18	(54,781)	(49,885)
Provisions for liabilities			
Deferred tax		-	(6,309)
		<u>-</u>	<u>(6,309)</u>
Net assets		<u><u>2,672,809</u></u>	<u><u>2,434,692</u></u>
Capital and reserves			
Called up share capital	21	43,282	43,282
Profit and loss account		2,629,527	2,391,410
		<u><u>2,672,809</u></u>	<u><u>2,434,692</u></u>

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

23.01.17

.....
Gary Clark
Director

Lambert Contracts Limited

Statement of Changes in Equity As at 30 April 2016

	Share capital £	Retained earnings £	Total equity £
At 1 May 2015	43,282	2,391,410	2,434,692
Comprehensive income for the year			
Profit for the year	-	230,336	230,336
Total comprehensive income for the year	-	230,336	230,336
Contributions by and distributions to owners			
Employee share scheme movement	-	7,781	7,781
Total transactions with owners	-	7,781	7,781
At 30 April 2016	43,282	2,629,527	2,672,809

Lambert Contracts Limited

Statement of Changes in Equity As at 30 April 2015

	Share capital £	Retained earnings £	Total equity £
At 1 May 2014	43,282	2,097,078	2,140,360
Comprehensive income for the year			
Profit for the year	-	294,332	294,332
Total comprehensive income for the year	-	294,332	294,332
Total transactions with owners	-	-	-
At 30 April 2015	43,282	2,391,410	2,434,692

The notes on pages 11 to 26 form part of these financial statements.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

Lambert Contracts Limited is a company incorporated in Scotland under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and activities are set out in the directors report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 ('FRS 102'), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 26.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Lambert Contracts Holdings Limited as at 30 April 2016 and these financial statements may be obtained from the company's registered office.

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

1. ACCOUNTING POLICIES (continued)

1.4 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful life of 10 years.

1.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Plant and machinery	-	33% on reducing balance
Motor vehicles	-	25% on reducing balance
Fixtures and fittings	-	15% on reducing balance
Computer equipment	-	33% on reducing balance and 20% on cost
Improvements to property	-	25% on reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

1.6 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

1. ACCOUNTING POLICIES (continued)

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

1.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

1. ACCOUNTING POLICIES (continued)

1.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income, in the same period as the related expenditure.

1.13 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.14 Hire Purchase

Assets obtained under hire purchase contracts or finance leases are capitalised on the balance sheet. Those held under finance leases or hire purchase contracts are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Statement of Comprehensive Income over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

1.15 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

1. ACCOUNTING POLICIES (continued)

1.16 Holiday pay accrual

Where material a liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

1.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit or loss for the year, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.18 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and where it is possible that an outflow will be required to settle the obligation and the amount can be reliably estimated.

1.19 Employee Share Scheme

The company operates an employee share scheme which is treated in a similar manner to an equity-settled share based remuneration scheme. The charge, which is immaterial, is spread across the deemed vesting period.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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.

In preparing these financial statements the directors have made the following judgements:

The useful economic lives of the fixed assets and the depreciation rates applied.

Whether there are indicators of impairment of tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Whether any bad debt provision is required via review of trade debtors, with debts provided for on a specific basis. Factors considered include customer payment history and agreed payment terms.

Whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

The amount of profit to be recognised on individual contracts. Factors considered will include stage of completion and forecast out-turn.

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. ANALYSIS OF TURNOVER

In the opinion of the directors, it would be seriously prejudice the Company's interests to disclosure different classes of turnover.

All turnover arose within the United Kingdom.

4. OTHER OPERATING INCOME

	2016 £	2015 £
Grant income	42,123	42,174
	<u>42,123</u>	<u>42,174</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

5. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Operating lease expenses	66,192	51,019
Depreciation of owned tangible fixed assets	54,855	42,582
Depreciation of fixed assets under hire purchase	59,775	48,469
Amortisation of intangible assets, including goodwill	2,384	2,385

6. AUDITOR'S REMUNERATION

	2016 £	2015 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	9,995	12,400
Fees payable to the Company's auditor for other services	2,290	-
	<u>12,285</u>	<u>12,400</u>

7. EMPLOYEES

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

	2016 £	2015 £
Wages and salaries	3,344,806	2,926,099
Social security costs	319,116	292,208
Cost of defined contribution scheme	26,530	2,924
	<u>3,690,452</u>	<u>3,221,231</u>

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

	2016 No.	2015 No.
Administration and labour	<u>115</u>	<u>103</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

8. DIRECTORS' REMUNERATION

	2016 £	2015 £
Directors' emoluments	417,975	457,758
Company contributions to defined contribution pension schemes	3,777	1,500
	<u>421,752</u>	<u>459,258</u>

During the year retirement benefits were accruing to 3 directors (2015 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £148,837 (2015 - £161,016).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2015 - £1,231).

Employers social security costs of £49,945 (2015: £49,365) have been incurred on the above directors emoluments. These amounts are disclosed, along with the above emolument information, to comply with key management personnel disclosures.

An Employee Share Scheme charge of £7,781 was expensed in the period and relates to certain directors.

9. INTEREST RECEIVABLE

	2016 £	2015 £
Other interest receivable	59	578
	<u>59</u>	<u>578</u>

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2016 £	2015 £
Bank interest payable	4,606	96
Finance leases and hire purchase contracts	7,260	4,934
Credit charges	7,981	1,572
	<u>19,847</u>	<u>6,602</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

11. TAXATION

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	60,325	85,240
Under/over provision	-	707
	<u>60,325</u>	<u>85,947</u>
Group taxation relief	(60,325)	(85,240)
	<u>-</u>	<u>707</u>
Total current tax	<u>-</u>	<u>707</u>
Deferred tax		
Origination and reversal of timing differences	(19,329)	(22,848)
Adjustment in respect of prior period	(12,618)	-
Total deferred tax	<u>(31,947)</u>	<u>(22,848)</u>
Taxation on loss on ordinary activities	<u>(31,947)</u>	<u>(22,141)</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

11. TAXATION (continued)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20% (2015 - 20.729%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>198,389</u>	<u>272,191</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.729%)	39,678	56,422
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,582	8,669
Utilisation of tax losses	-	(1,022)
Adjustments to tax charge in respect of prior periods	(12,618)	707
Other differences leading to an increase (decrease) in the tax charge	(264)	(1,677)
Group relief	(60,325)	(85,240)
Total tax charge for the year	<u>(31,947)</u>	<u>(22,141)</u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

12. INTANGIBLE ASSETS

	Goodwill £
COST	
At 1 May 2015	23,846
At 30 April 2016	<u>23,846</u>
AMORTISATION	
At 1 May 2015	2,385
Charge for the year	2,384
At 30 April 2016	<u>4,769</u>
NET BOOK VALUE	
At 30 April 2016	<u>19,077</u>
At 30 April 2015	<u>21,461</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Leasehold improvements £	Total £
Cost or valuation						
At 1 May 2015	30,180	671,159	15,369	135,053	9,813	861,574
Additions	22,251	116,598	5,909	19,730	62,404	226,892
Disposals	-	(71,999)	-	-	-	(71,999)
At 30 April 2016	52,431	715,758	21,278	154,783	72,217	1,016,467
Depreciation						
At 1 May 2015	26,735	453,693	14,194	75,297	9,076	578,995
Charge for the year	7,550	81,830	1,057	19,449	4,744	114,630
Disposals	-	(62,070)	-	-	-	(62,070)
At 30 April 2016	34,285	473,453	15,251	94,746	13,820	631,555
At 30 April 2016	18,146	242,305	6,027	60,037	58,397	384,912
At 30 April 2015	3,445	217,466	1,175	59,756	737	282,579

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Motor vehicles	156,201	116,135
	<u>156,201</u>	<u>116,135</u>

14. STOCKS

	2016 £	2015 £
Raw materials and consumables	5,247	4,948
	<u>5,247</u>	<u>4,948</u>

15. DEBTORS

	2016 £	2015 £
Trade debtors	1,664,406	1,134,527
Amounts recoverable on long term contracts	1,859,577	1,237,969
Amounts owed by group undertakings	1,384,645	1,325,000
Other debtors	32,778	10,223
Prepayments and accrued income	39,486	19,911
Deferred taxation	25,638	-
	<u>5,006,530</u>	<u>3,727,630</u>

16. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	211,868	25,860
Less: bank overdrafts	(419,438)	(212,038)
	<u>(207,570)</u>	<u>(186,178)</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

17. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	419,438	212,038
Trade creditors	1,043,134	571,856
Taxation and social security	427,909	304,918
Obligations under finance lease and hire purchase contracts	75,833	53,498
Other creditors	95,862	25,906
Accruals and deferred income	837,868	403,376
	<u>2,900,044</u>	<u>1,571,592</u>

18. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Net obligations under finance leases and hire purchase contracts	54,781	49,885
	<u>54,781</u>	<u>49,885</u>

Secured loans

Obligations under hire purchase contracts are secured over the assets to which they relate.

The Bank of Scotland holds a first ranking bond and floating charge over the assets of the company.

Maven Capital Partners UK LLP, as Security Trustees for holders of Loan Notes issued by Lambert Contracts Holdings Limited, hold a bond and floating charge, granted by the company, over all of its assets. This is a second ranking security, postponed only to the Bank of Scotland security.

19. HIRE PURCHASE & FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	75,833	53,498
Between 2-5 years	54,781	49,885
	<u>130,614</u>	<u>103,383</u>

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

20. DEFERRED TAXATION

	Deferred tax £
At 1 May 2015	(6,309)
Charged to the profit or loss	31,947
AT 30 APRIL 2016	25,638

The deferred taxation balance is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	25,638	(6,309)
	25,638	(6,309)

21. SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid		
43,282 Ordinary shares of £1 each	43,282	43,282

22. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	65,600	50,000
Later than 1 year and not later than 5 years	224,105	200,000
Later than 5 years	102,055	152,192
Total	391,760	402,192

Lambert Contracts Limited

Notes to the Financial Statements For the Year Ended 30 April 2016

23. RELATED PARTY TRANSACTIONS

At the year end there were amounts due from directors of the company of £11,315 (2015: £1,196). The loans are interest free and have no fixed repayment dates.

During the year rental charges of £50,000 (2015: £50,000) were paid to a company owned and controlled by a director of Lambert Contracts Limited. The rental is charged at normal commercial rates. At year end there were balances due to Lambert and Sons Properties of £479 (2015: 543).

24. POST BALANCE SHEET EVENTS

On 16 May 2016 the company undertook a sale and lease back of motor vehicles with a finance house. Assets with a net book value of £196,426 were disposed of for net proceeds of £263,941.

25. CONTROLLING PARTY

The immediate controlling party is Lambert Contracts Holdings Limited. In the opinion of the directors there is no ultimate controlling party.

The largest and smallest group in which the results of the company are consolidated is that headed by Lambert Contracts Holdings Limited, a company incorporated in Scotland. The consolidated accounts of this company are available to the public and may be obtained from the company's registered office. No other group accounts include the results of the company.

26. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.