

Abbreviated Accounts for the Year Ended 30 April 2015

for

Central Demolition Limited

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for the Year Ended 30 April 2015

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Central Demolition Limited

Company Information
for the Year Ended 30 April 2015

DIRECTORS:

Mr R J Craig
Mr C A Peat

SECRETARY:

Mrs Y Rowland

REGISTERED OFFICE:

Central House
Chattan Industrial Estate
Bonnyside Road
Bonnybridge
FK4 2AG

REGISTERED NUMBER:

SC172244 (Scotland)

AUDITORS:

Graham & Co. (Accountants) Limited
Statutory Auditors
Chartered Accountants
76 Dumbarton Road
Clydebank
Glasgow
G81 1UG

Strategic Report
for the Year Ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

REVIEW OF BUSINESS

The company has continued to invest in the latest demolition plant and equipment available in the marketplace to keep the company at the forefront of the demolition industry

The directors are satisfied that turnover levels have been maintained in the current year having experienced significant growth in recent years.

The gross profit margin has increased to 24% from 22% on similar levels of turnover and as overheads have remained broadly unchanged this has led to an increased pre tax net profit of £644,811 (2014 - £439,948).

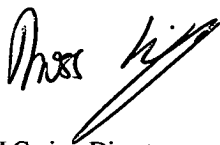
PRINCIPAL RISKS AND UNCERTAINTIES

As in the wider construction industry the demolition market continues to be challenging and unpredictable. However the directors are confident that the company is well placed to deal with such conditions and also to benefit from improving market conditions.

FUTURE OUTLOOK

The directors are optimistic about future prospects for the industry and believe that the company is well placed to take advantage of any improvement in market conditions. The company is continually maintaining links with its valued existing client base and is looking to increase turnover in its core business market of demolition, asbestos removal and recycling as and when market conditions allow.

ON BEHALF OF THE BOARD:



Mr R J Craig - Director

22 January 2016

Report of the Directors
for the Year Ended 30 April 2015

The directors present their report with the accounts of the company for the year ended 30 April 2015.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2015.

FUTURE DEVELOPMENTS

The directors aim to maintain the management policies which have resulted in the company's growth in recent years.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

Mr R J Craig
Mr C A Peat

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Graham & Co. (Accountants) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr R J Craig - Director

22 January 2016

Report of the Independent Auditors to
Central Demolition Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages five to seventeen, together with the full financial statements of Central Demolition Limited for the year ended 30 April 2015 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Stuart Girvan (Senior Statutory Auditor)
for and on behalf of Graham & Co. (Accountants) Limited
Statutory Auditors
Chartered Accountants
76 Dumbarton Road
Clydebank
Glasgow
G81 1UG

22 January 2016

Central Demolition Limited (Registered number: SC172244)

Abbreviated Profit and Loss Account
for the Year Ended 30 April 2015

	Notes	30.4.15 £	30.4.14 £
TURNOVER		11,538,162	11,597,092
Cost of sales and other operating income		(8,722,675)	(9,033,996)
		<hr/> 2,815,487	<hr/> 2,563,096
Administrative expenses		<hr/> 1,923,537	<hr/> 1,889,867
OPERATING PROFIT	3	<hr/> 891,950	<hr/> 673,229
Provision against inter company loan		<hr/> 80,000	<hr/> 80,000
		<hr/> 811,950	<hr/> 593,229
Interest receivable and similar income		<hr/> 960	<hr/> 851
		<hr/> 812,910	<hr/> 594,080
Interest payable and similar charges	4	<hr/> 168,099	<hr/> 154,132
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> 644,811	<hr/> 439,948
Tax on profit on ordinary activities	5	<hr/> 96,000	<hr/> 68,735
PROFIT FOR THE FINANCIAL YEAR		<hr/> <hr/> 548,811	<hr/> <hr/> 371,213

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

Abbreviated Balance Sheet
30 April 2015

	Notes	30.4.15 £	30.4.14 £
FIXED ASSETS			
Tangible assets	6	5,207,048	4,750,917
CURRENT ASSETS			
Debtors	7	4,562,198	4,804,214
Cash at bank		310,000	20,000
		<u>4,872,198</u>	<u>4,824,214</u>
CREDITORS			
Amounts falling due within one year	8	<u>3,043,332</u>	<u>3,281,295</u>
NET CURRENT ASSETS		<u>1,828,866</u>	<u>1,542,919</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,035,914</u>	<u>6,293,836</u>
CREDITORS			
Amounts falling due after more than one year	9	(896,562)	(734,295)
PROVISIONS FOR LIABILITIES	13	<u>(110,000)</u>	<u>(79,000)</u>
NET ASSETS		<u><u>6,029,352</u></u>	<u><u>5,480,541</u></u>
CAPITAL AND RESERVES			
Called up share capital	14	50,000	50,000
Profit and loss account	15	<u>5,979,352</u>	<u>5,430,541</u>
SHAREHOLDERS' FUNDS	21	<u><u>6,029,352</u></u>	<u><u>5,480,541</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies.

The financial statements were approved by the Board of Directors on 22 January 2016 and were signed on its behalf by:



Mr R J Craig - Director

Cash Flow Statement
for the Year Ended 30 April 2015

	Notes	30.4.15 £	30.4.14 £
Net cash inflow from operating activities	1	2,276,742	736,238
Returns on investments and servicing of finance	2	(167,139)	(153,281)
Taxation		(106,518)	(214,864)
Capital expenditure	2	(348,620)	(685,543)
		<u>1,654,465</u>	<u>(317,450)</u>
Financing	2	(1,171,979)	(298,128)
Increase/(decrease) in cash in the period		<u>482,486</u>	<u>(615,578)</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase/(decrease) in cash in the period		482,486	(615,578)
Cash outflow from decrease in debt and lease financing		<u>1,029,944</u>	<u>339,779</u>
Change in net debt resulting from cash flows		1,512,430	(275,799)
New finance leases		<u>(1,094,960)</u>	<u>(639,161)</u>
Movement in net debt in the period		417,470	(914,960)
Net debt at 1 May		<u>(2,117,639)</u>	<u>(1,202,679)</u>
Net debt at 30 April		<u>(1,700,169)</u>	<u>(2,117,639)</u>

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	30.4.15	30.4.14
	£	£
Operating profit	891,950	673,229
Depreciation charges	1,208,492	1,142,948
Profit on disposal of fixed assets	(221,042)	(66,886)
Decrease/(increase) in debtors	281,146	(916,995)
Increase/(decrease) in creditors	116,196	(96,058)
Net cash inflow from operating activities	2,276,742	736,238

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	30.4.15	30.4.14
	£	£
Returns on investments and servicing of finance		
Interest received	960	851
Interest paid	(60,552)	(60,552)
Interest element of hire purchase payments	(107,547)	(93,580)
Net cash outflow for returns on investments and servicing of finance	(167,139)	(153,281)
Capital expenditure		
Purchase of tangible fixed assets	(683,470)	(799,243)
Sale of tangible fixed assets	334,850	113,700
Net cash outflow for capital expenditure	(348,620)	(685,543)
Financing		
Capital repayments in year	(1,029,944)	(339,779)
Amount introduced by directors	100,000	1
Amount withdrawn by directors	(242,035)	41,650
Net cash outflow from financing	(1,171,979)	(298,128)

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.5.14 £	Cash flow £	Other non-cash changes £	At 30.4.15 £
Net cash:				
Cash at bank	20,000	290,000		310,000
Bank overdraft	(370,709)	192,486		(178,223)
	<u>(350,709)</u>	<u>482,486</u>		<u>131,777</u>
Debt:				
Hire purchase	(1,766,930)	1,029,944	(1,094,960)	(1,831,946)
	<u>(1,766,930)</u>	<u>1,029,944</u>	<u>(1,094,960)</u>	<u>(1,831,946)</u>
Total	<u>(2,117,639)</u>	<u>1,512,430</u>	<u>(1,094,960)</u>	<u>(1,700,169)</u>

Notes to the Abbreviated Accounts
for the Year Ended 30 April 2015

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales and work completed on long term contracts, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- over lease term
Plant and machinery	- 25% on reducing balance and 20% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases 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 profit and loss account 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 profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Long term contracts

The contracts undertaken by the company are deemed to be of a long term nature. Long term contract work in progress shown at net cost after deducting foreseeable losses and payments on account. Turnover on long term contracts is determined on the basis of certified valuations representing measured work on contracts. Operating profit includes attributable profit on long term contracts complete and amounts recoverable on contracts incomplete, the latter also being included under debtors due within one year.

2. **STAFF COSTS**

	30.4.15	30.4.14
	£	£
Wages and salaries	4,575,476	4,457,288
Social security costs	470,431	452,635
Other pension costs	52,223	29,428
	<u>5,098,130</u>	<u>4,939,351</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

2. STAFF COSTS - continued

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

	30.4.15	30.4.14
Administration	19	18
Demolition	147	145
	<u>166</u>	<u>163</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.4.15	30.4.14
	£	£
Hire of plant and machinery	212,404	224,884
Other operating leases	14,170	-
Depreciation - owned assets	689,693	484,901
Depreciation - assets on hire purchase contracts	518,798	658,046
Profit on disposal of fixed assets	(221,042)	(66,886)
Auditors' remuneration	7,850	7,995
Auditors' remuneration for non audit work	4,230	7,400
	<u>313,175</u>	<u>263,460</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows:

	30.4.15	30.4.14
	£	£
Emoluments etc	<u>203,455</u>	<u>153,740</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	30.4.15	30.4.14
	£	£
Interest payable	60,552	60,552
Hire purchase	107,547	93,580
	<u>168,099</u>	<u>154,132</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	30.4.15 £	30.4.14 £
Current tax:		
UK corporation tax	65,000	144,000
Overprovision	-	(18,853)
Total current tax	65,000	125,147
Deferred tax	31,000	(56,412)
Tax on profit on ordinary activities	96,000	68,735

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.4.15 £	30.4.14 £
Profit on ordinary activities before tax	644,811	439,948
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	135,410	101,188
Effects of:		
Expenses not deductible for tax purposes	4,650	4,600
Capital allowances in excess of depreciation	(75,060)	-
Depreciation in excess of capital allowances	-	38,212
Adjustments to tax charge in respect of previous periods	-	(18,853)
Current tax charge	65,000	125,147

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

6. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 May 2014	832,730	8,879,232	3,552,098	294,758	13,558,818
Additions	-	1,275,205	495,950	12,935	1,784,090
Disposals	-	(594,007)	(177,600)	-	(771,607)
Transfer to ownership	-	(73,599)	74,512	-	913
At 30 April 2015	832,730	9,486,831	3,944,960	307,693	14,572,214
DEPRECIATION					
At 1 May 2014	156,713	6,073,325	2,414,787	163,076	8,807,901
Charge for year	75,113	731,720	367,297	34,361	1,208,491
Eliminated on disposal	-	(524,140)	(133,659)	-	(657,799)
Transfer to ownership	-	1	6,572	-	6,573
At 30 April 2015	231,826	6,280,906	2,654,997	197,437	9,365,166
NET BOOK VALUE					
At 30 April 2015	600,904	3,205,925	1,289,963	110,256	5,207,048
At 30 April 2014	676,017	2,805,907	1,137,311	131,682	4,750,917

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 May 2014	2,620,589	530,575	3,151,164
Additions	1,123,684	400,558	1,524,242
Transfer to ownership	(714,272)	(335,545)	(1,049,817)
At 30 April 2015	3,030,001	595,588	3,625,589
DEPRECIATION			
At 1 May 2014	696,995	159,327	856,322
Charge for year	425,832	92,966	518,798
Transfer to ownership	(271,439)	(187,731)	(459,170)
At 30 April 2015	851,388	64,562	915,950
NET BOOK VALUE			
At 30 April 2015	2,178,613	531,026	2,709,639
At 30 April 2014	1,923,594	371,248	2,294,842

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.15	30.4.14
	£	£
Trade debtors	1,107,435	478,133
Amounts recoverable on contract	1,080,000	1,614,400
Other debtors	89,398	106,841
Central Recycling Limited	455,838	1,039,964
Chieftain Contracts Limited	103,393	192,573
Broomside Developments	572,972	572,972
Clydeside Property Services Limited	762,716	762,716
Central Demolition (Recycling)	189,385	-
Directors' current accounts	119,128	-
Prepayments and accrued income	81,933	36,615
	<u>4,562,198</u>	<u>4,804,214</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.15	30.4.14
	£	£
Bank loans and overdrafts (see note 10)	178,223	370,709
Hire purchase contracts (see note 11)	935,384	1,032,635
Trade creditors	924,195	1,153,437
Tax	102,494	144,012
Social security and other taxes	105,538	119,919
VAT	273,824	32,422
Other creditors	104,322	-
Directors' current accounts	69,009	91,916
Accrued expenses	350,343	336,245
	<u>3,043,332</u>	<u>3,281,295</u>

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.4.15	30.4.14
	£	£
Hire purchase contracts (see note 11)	<u>896,562</u>	<u>734,295</u>

10. **LOANS**

An analysis of the maturity of loans is given below:

	30.4.15	30.4.14
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>178,223</u>	<u>370,709</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

11. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	30.4.15 £	30.4.14 £
Net obligations repayable:		
Within one year	935,384	1,032,635
Between one and five years	896,562	734,295
	<u>1,831,946</u>	<u>1,766,930</u>

12. SECURED DEBTS

The following secured debts are included within creditors:

	30.4.15 £	30.4.14 £
Bank overdrafts	178,223	370,709
Hire purchase contracts	1,831,946	1,766,930
	<u>2,010,169</u>	<u>2,137,639</u>

The bank overdraft facility is secured by way of a bond and floating charge over the assets of the company.

An unlimited inter company guarantee also exists in favour of Central Recycling Limited.

On 27 October 2015 the company granted a guarantee in favour of Clydeside Property Services Ltd to a limit of £2,114,000; supported by a bond and floating charge.

13. PROVISIONS FOR LIABILITIES

	30.4.15 £	30.4.14 £
Deferred tax	<u>110,000</u>	<u>79,000</u>
		Deferred tax
		£
Balance at 1 May 2014		79,000
Charged to the Profit & Loss		31,000
Balance at 30 April 2015		<u>110,000</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.4.15 £	30.4.14 £
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

15. RESERVES

	Profit and loss account £
At 1 May 2014	5,430,541
Profit for the year	548,811
	<hr/>
At 30 April 2015	5,979,352
	<hr/>

16. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the director and its senior staff. The contributions paid into the scheme during the year amounted to £52,223 (2014 - £29,428).

17. CONTINGENT LIABILITIES

An unlimited inter company guarantee exists in favour of Central Recycling Limited.

On 27 October 2015 the company granted a guarantee in favour of Clydeside Property Services Ltd to a limit of £2,114,000; supported by a bond and floating charge.

18. OTHER FINANCIAL COMMITMENTS

At the year end the company had annual commitments under non-cancellable operating leases as set out below:-

	30.4.15 £	30.4.14 £
Other operating leases expiring: Within 1 year	15,000	15,000

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

A rental of £15,000 was charged by Ross J Craig, a director of the company, for use of land..

Mr Craig is the controlling director and sole shareholder of the company.

20. RELATED PARTY DISCLOSURES

Debtors includes an amount due by a director of £119,128 (2014 - £nil). This balance was cleared subsequent to the year end. Other operating income includes £1,500,000 for the provision of management services to Central Recycling Ltd and £100,000 for management services to Central Demolition (Recycling) Ltd.

Included within Other Debtors are:

	30.4.15 £	30.4.14 £
Chieftain Contracts Limited (a company controlled by the directors)	103,392	192,573
Central Demolition Recycling Limited (a company controlled by a director))	189,385	106,776
Broomside Property Developments (an entity in which the directors are partners)	572,972	572,972
Clydeside Property Services Limited (a company controlled by the directors)	762,716	762,716
Central Recycling Ltd (an entity controlled by the directors)	455,838	1,059,592

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 April 2015

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30.4.15	30.4.14
	£	£
Profit for the financial year	548,811	371,213
Net addition to shareholders' funds	548,811	371,213
Opening shareholders' funds	5,480,541	5,109,328
Closing shareholders' funds	6,029,352	5,480,541