

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 30 April 2019  
for  
Central Demolition Limited

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for the Year Ended 30 April 2019

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Central Demolition Limited

Company Information  
for the Year Ended 30 April 2019

**DIRECTORS:**

Mr R J Craig  
Mr C A Peat

**SECRETARY:**

Mrs Y Rowland

**REGISTERED OFFICE:**

Central House  
Chattan Industrial Estate  
Bonny-side 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 2019

The directors present their strategic report for the year ended 30 April 2019.

**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 with turnover levels, increased by 12% (2018 - decrease of 9%).

The gross profit margin, after accounting for the recovery of management charges from a group company, has remained at 20% (2018 - 20%) . Due to an increase in overheads primarily caused by higher depreciation charges this has produced a reduced but satisfactory pre tax net profit of £407,485 from £518,224.

**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 maintain current turnover levels in its core business market of demolition, asbestos removal and recycling.

**ON BEHALF OF THE BOARD:**

Mr R J Craig - Director

13 December 2019

Report of the Directors  
for the Year Ended 30 April 2019

The directors present their report with the financial statements of the company for the year ended 30 April 2019.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of a demolition contractor.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 April 2019.

**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 2018 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 Strategic Report, 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

13 December 2019

### **Opinion**

We have audited the financial statements of Central Demolition Limited (the 'company') for the year ended 30 April 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 Financial Reporting Standard 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 30 April 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 Auditors' 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**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 or the Report of the Directors.

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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 a Report of the Auditors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 them in a Report of the Auditors 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.

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

13 December 2019

Income Statement  
for the Year Ended 30 April 2019

|  | Notes | 30.4.19<br>£                    | 30.4.18<br>£                    |
|--|-------|---------------------------------|---------------------------------|
| <b>TURNOVER</b>                        |       | 15,799,344                      | 14,103,974                      |
| Cost of sales                          |       | <u>15,060,243</u>               | <u>13,645,987</u>               |
| <b>GROSS PROFIT</b>                    |       | 739,101                         | 457,987                         |
| Administrative expenses                |       | <u>2,628,536</u><br>(1,889,435) | <u>2,264,821</u><br>(1,806,834) |
| Other operating income                 |       | <u>2,400,000</u>                | <u>2,380,000</u>                |
| <b>OPERATING PROFIT</b>                | 4     | 510,565                         | 573,166                         |
| Interest receivable and similar income |       | <u>814</u><br>511,379           | <u>119</u><br>573,285           |
| Interest payable and similar expenses  | 5     | <u>103,894</u>                  | <u>55,061</u>                   |
| <b>PROFIT BEFORE TAXATION</b>          |       | 407,485                         | 518,224                         |
| Tax on profit                          | 6     | <u>95,573</u>                   | <u>104,846</u>                  |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>   |       | <u>311,912</u>                  | <u>413,378</u>                  |

The notes form part of these financial statements

Other Comprehensive Income  
for the Year Ended 30 April 2019

|                                   | Notes | 30.4.19<br>£   | 30.4.18<br>£   |
|-----------------------------------|-------|----------------|----------------|
| <b>PROFIT FOR THE YEAR</b>        |       | 311,912        | 413,378        |
| <b>OTHER COMPREHENSIVE INCOME</b> |       | <u>-</u>       | <u>-</u>       |
| <b>TOTAL COMPREHENSIVE INCOME</b> |       |                |                |
| <b>FOR THE YEAR</b>               |       | <u>311,912</u> | <u>413,378</u> |

Balance Sheet  
30 April 2019

|  | Notes | 30.4.19<br>£     | £                | 30.4.18<br>£     | £                |
|--|-------|------------------|------------------|------------------|------------------|
| <b>FIXED ASSETS</b>                          |       |                  |                  |                  |                  |
| Tangible assets                              | 7     |                  | 5,267,509        |                  | 5,236,443        |
| <b>CURRENT ASSETS</b>                        |       |                  |                  |                  |                  |
| Debtors                                      | 8     | 6,147,632        |                  | 6,207,571        |                  |
| Cash at bank                                 |       | <u>445,332</u>   |                  | <u>346,883</u>   |                  |
|  |       | 6,592,964        |                  | 6,554,454        |                  |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due within one year          | 9     | <u>3,304,275</u> |                  | <u>3,396,992</u> |                  |
| <b>NET CURRENT ASSETS</b>                    |       |                  | <u>3,288,689</u> |                  | <u>3,157,462</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       |                  | 8,556,198        |                  | 8,393,905        |
| <b>CREDITORS</b>                             |       |                  |                  |                  |                  |
| Amounts falling due after more than one year | 10    |                  | (606,358)        |                  | (755,977)        |
| <b>PROVISIONS FOR LIABILITIES</b>            | 13    |                  | <u>(65,000)</u>  |                  | <u>(65,000)</u>  |
| <b>NET ASSETS</b>                            |       |                  | <u>7,884,840</u> |                  | <u>7,572,928</u> |
| <b>CAPITAL AND RESERVES</b>                  |       |                  |                  |                  |                  |
| Called up share capital                      | 14    |                  | 50,000           |                  | 50,000           |
| Retained earnings                            | 15    |                  | <u>7,834,840</u> |                  | <u>7,522,928</u> |
| <b>SHAREHOLDERS' FUNDS</b>                   |       |                  | <u>7,884,840</u> |                  | <u>7,572,928</u> |

The financial statements were approved by the Board of Directors on 13 December 2019 and were signed on its behalf by:

Mr R J Craig - Director

Statement of Changes in Equity  
for the Year Ended 30 April 2019

|                                 | Called up<br>share<br>capital<br>£ | Retained<br>earnings<br>£ | Total<br>equity<br>£ |
|---------------------------------|------------------------------------|---------------------------|----------------------|
| <b>Balance at 1 May 2017</b>    | 50,000                             | 7,109,550                 | 7,159,550            |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Total comprehensive income      | -                                  | 413,378                   | 413,378              |
| <b>Balance at 30 April 2018</b> | 50,000                             | 7,522,928                 | 7,572,928            |
| <b>Changes in equity</b>        |                                    |                           |                      |
| Total comprehensive income      | -                                  | 311,912                   | 311,912              |
| <b>Balance at 30 April 2019</b> | 50,000                             | 7,834,840                 | 7,884,840            |

Notes to the Financial Statements  
for the Year Ended 30 April 2019

1. **STATUTORY INFORMATION**

Central Demolition Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company transitioned to FRS 102 on 1 May 2014. The impact of this transition is on the disclosure in the financial statements, there was no impact or change to the company's policies or reported financial position.

The financial statements are presented in Sterling (£).

**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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

**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.

|                          |   |
|--------------------------|---|
| Freehold property        | - not provided on land                                |
| Improvements to property | - Over expected 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                             |

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

2. **ACCOUNTING POLICIES - continued**

**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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss 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 profit or loss 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.

3. **EMPLOYEES AND DIRECTORS**

|                       | 30.4.19          | 30.4.18          |
|-----------------------|------------------|------------------|
|                       | £                | £                |
| Wages and salaries    | 6,346,514        | 6,244,121        |
| Social security costs | 656,144          | 657,028          |
| Other pension costs   | 115,236          | 81,749           |
|                       | <u>7,117,894</u> | <u>6,982,898</u> |

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

|                | 30.4.19    | 30.4.18    |
|----------------|------------|------------|
| Administration | 26         | 24         |
| Demolition     | 157        | 158        |
|                | <u>183</u> | <u>182</u> |

|  | 30.4.19      | 30.4.18      |
|--|--------------|--------------|
|  | £            | £            |
| Directors' remuneration                                    | 468,382      | 419,546      |
| Directors' pension contributions to money purchase schemes | <u>6,454</u> | <u>6,455</u> |

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

|                        | 2        | 2        |
|------------------------|----------|----------|
| Money purchase schemes | <u>2</u> | <u>2</u> |

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

**3. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

|   | 30.4.19      | 30.4.18      |
|---|--------------|--------------|
|   | £            | £            |
| Emoluments etc                                  | 296,074      | 219,546      |
| Pension contributions to money purchase schemes | <u>3,454</u> | <u>3,455</u> |

**4. OPERATING PROFIT**

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

|  | 30.4.19      | 30.4.18      |
|--|--------------|--------------|
|  | £            | £            |
| Hire of plant and machinery                      | 566,066      | 527,339      |
| Other operating leases                           | 25,399       | 22,538       |
| Depreciation - owned assets                      | 694,516      | 873,690      |
| Depreciation - assets on hire purchase contracts | 817,230      | 419,623      |
| Profit on disposal of fixed assets               | (82,373)     | (207,607)    |
| Auditors' remuneration                           | 8,000        | 8,100        |
| Auditors' remuneration for non audit work        | <u>4,380</u> | <u>8,460</u> |

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

|               | 30.4.19        | 30.4.18       |
|---------------|----------------|---------------|
|               | £              | £             |
| Hire purchase | <u>103,894</u> | <u>55,061</u> |

**6. TAXATION**

**Analysis of the tax charge**

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

|                    | 30.4.19       | 30.4.18        |
|--------------------|---------------|----------------|
|                    | £             | £              |
| Current tax:       |               |                |
| UK corporation tax | <u>95,573</u> | <u>104,846</u> |
| Tax on profit      | <u>95,573</u> | <u>104,846</u> |

UK corporation tax has been charged at 19% .

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

6. **TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

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

|  | 30.4.19<br>£   | 30.4.18<br>£   |
|--|----------------|----------------|
| Profit before tax  | <u>407,485</u> | <u>518,224</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19%<br>(2018 - 19%) | 77,422         | 98,463         |
| Effects of:  |                |                |
| Expenses not deductible for tax purposes   | 1,330          | 2,178          |
| Depreciation in excess of capital allowances   | 16,821         | 4,205          |
| Total tax charge   | <u>95,573</u>  | <u>104,846</u> |

7. **TANGIBLE FIXED ASSETS**

|                        | Freehold<br>property<br>£ | Improvements<br>to<br>property<br>£ | Plant and<br>machinery<br>£ |
|------------------------|---------------------------|-------------------------------------|-----------------------------|
| <b>COST</b>            |                           |                                     |                             |
| At 1 May 2018          | 283,900                   | 836,985                             | 10,612,387                  |
| Additions              | -                         | -                                   | 1,231,089                   |
| Disposals              | -                         | -                                   | (759,600)                   |
| At 30 April 2019       | <u>283,900</u>            | <u>836,985</u>                      | <u>11,083,876</u>           |
| <b>DEPRECIATION</b>    |                           |                                     |                             |
| At 1 May 2018          | -                         | 395,823                             | 7,520,314                   |
| Charge for year        | -                         | 44,116                              | 983,796                     |
| Eliminated on disposal | -                         | -                                   | (489,306)                   |
| At 30 April 2019       | <u>-</u>                  | <u>439,939</u>                      | <u>8,014,804</u>            |
| <b>NET BOOK VALUE</b>  |                           |                                     |                             |
| At 30 April 2019       | <u>283,900</u>            | <u>397,046</u>                      | <u>3,069,072</u>            |
| At 30 April 2018       | <u>283,900</u>            | <u>441,162</u>                      | <u>3,092,073</u>            |

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

7. **TANGIBLE FIXED ASSETS - continued**

|                        | Motor<br>vehicles<br>£ | Computer<br>equipment<br>£ | Totals<br>£ |
|------------------------|------------------------|----------------------------|-------------|
| <b>COST</b>            |                        |                            |             |
| At 1 May 2018          | 4,391,076              | 327,945                    | 16,452,293  |
| Additions              | 679,077                | 16,379                     | 1,926,545   |
| Disposals              | (884,210)              | -                          | (1,643,810) |
| At 30 April 2019       | 4,185,943              | 344,324                    | 16,735,028  |
| <b>DEPRECIATION</b>    |                        |                            |             |
| At 1 May 2018          | 3,030,067              | 269,646                    | 11,215,850  |
| Charge for year        | 465,695                | 18,139                     | 1,511,746   |
| Eliminated on disposal | (770,771)              | -                          | (1,260,077) |
| At 30 April 2019       | 2,724,991              | 287,785                    | 11,467,519  |
| <b>NET BOOK VALUE</b>  |                        |                            |             |
| At 30 April 2019       | 1,460,952              | 56,539                     | 5,267,509   |
| At 30 April 2018       | 1,361,009              | 58,299                     | 5,236,443   |

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

|                        | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Totals<br>£ |
|------------------------|-----------------------------|------------------------|-------------|
| <b>COST</b>            |                             |                        |             |
| At 1 May 2018          | 1,815,610                   | 1,047,365              | 2,862,975   |
| Additions              | 975,995                     | 611,669                | 1,587,664   |
| Disposals              | -                           | (123,570)              | (123,570)   |
| Transfer to ownership  | -                           | (350,806)              | (350,806)   |
| At 30 April 2019       | 2,791,605                   | 1,184,658              | 3,976,263   |
| <b>DEPRECIATION</b>    |                             |                        |             |
| At 1 May 2018          | 442,586                     | 298,731                | 741,317     |
| Charge for year        | 559,213                     | 258,017                | 817,230     |
| Eliminated on disposal | -                           | (71,777)               | (71,777)    |
| Transfer to ownership  | -                           | (164,139)              | (164,139)   |
| At 30 April 2019       | 1,001,799                   | 320,832                | 1,322,631   |
| <b>NET BOOK VALUE</b>  |                             |                        |             |
| At 30 April 2019       | 1,789,806                   | 863,826                | 2,653,632   |
| At 30 April 2018       | 1,373,024                   | 748,634                | 2,121,658   |

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

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

|                                     | 30.4.19          | 30.4.18          |
|-------------------------------------|------------------|------------------|
|                                     | £                | £                |
| Trade debtors                       | 588,948          | 671,890          |
| Amounts owed by group undertakings  | 1,008,289        | 925,871          |
| Amounts recoverable on contract     | 1,694,800        | 2,083,000        |
| Other debtors                       | 257,781          | 185,970          |
| Chieftain Contracts Limited         | 47,923           | 47,923           |
| Broomside Developments              | 827,580          | 826,233          |
| Clydeside Property Services Limited | 1,581,292        | 1,331,493        |
| Prepayments and accrued income      | 141,019          | 135,191          |
|                                     | <u>6,147,632</u> | <u>6,207,571</u> |

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

|                                       | 30.4.19          | 30.4.18          |
|---------------------------------------|------------------|------------------|
|                                       | £                | £                |
| Hire purchase contracts (see note 11) | 1,057,982        | 796,859          |
| Trade creditors                       | 910,630          | 1,401,655        |
| Tax                                   | 95,573           | 103,740          |
| Social security and other taxes       | 201,683          | 229,297          |
| VAT                                   | 271,355          | 318,498          |
| Other creditors                       | 377,117          | 167,847          |
| Directors' current accounts           | 419              | 6,193            |
| Accrued expenses                      | 389,516          | 372,903          |
|                                       | <u>3,304,275</u> | <u>3,396,992</u> |

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

|                                       | 30.4.19        | 30.4.18        |
|---------------------------------------|----------------|----------------|
|                                       | £              | £              |
| Hire purchase contracts (see note 11) | <u>606,358</u> | <u>755,977</u> |

11. **LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

|                            | 30.4.19          | 30.4.18          |
|----------------------------|------------------|------------------|
|                            | £                | £                |
| Net obligations repayable: |                  |                  |
| Within one year            | 1,057,982        | 796,859          |
| Between one and five years | <u>606,358</u>   | <u>755,977</u>   |
|                            | <u>1,664,340</u> | <u>1,552,836</u> |

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

12. **SECURED DEBTS**

The following secured debts are included within creditors:

|                         | 30.4.19          | 30.4.18          |
|-------------------------|------------------|------------------|
|                         | £                | £                |
| Hire purchase contracts | <u>1,664,340</u> | <u>1,552,836</u> |

Bank borrowings are 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.

13. **PROVISIONS FOR LIABILITIES**

|                              | 30.4.19       | 30.4.18       |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Deferred tax                 | <u>65,000</u> | <u>65,000</u> |
|                              |               | Deferred tax  |
|                              |               | £             |
| Balance at 1 May 2018        |               | 65,000        |
| Charged to the Profit & Loss |               |               |
| Balance at 30 April 2019     |               | <u>65,000</u> |

14. **CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid: |          |                | 30.4.19       | 30.4.18       |
|----------------------------------|----------|----------------|---------------|---------------|
| Number:                          | Class:   | Nominal value: | £             | £             |
| 50,000                           | Ordinary | £1             | <u>50,000</u> | <u>50,000</u> |

15. **RESERVES**

|                     | Retained earnings |
|---------------------|-------------------|
|                     | £                 |
| At 1 May 2018       | 7,522,928         |
| Profit for the year | <u>311,912</u>    |
| At 30 April 2019    | <u>7,834,840</u>  |

16. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme for the director and it's senior staff. The contributions paid into the scheme during the year amounted to £115,236 (2018 - £81,749).

17. **ULTIMATE PARENT COMPANY**

Central Group Holdings Limited is regarded by the directors as being the company's ultimate parent company.

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2019

**18. 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.

**19. RELATED PARTY DISCLOSURES**

Other operating income includes £2,200,000 for the provision of management services to Central Recycling Ltd and £200,000 for management services to Central Demolition (Recycling) Ltd.

Included within other debtors / (other creditors) are:

|  | £ | £ | 30.4.19   | 30.4.18   |
|--|---|---|-----------|-----------|
| Chieftain Contracts Limited<br>(a company controlled by the directors)             |   |   | 47,923    | 47,923    |
| Central Demolition Recycling Limited<br>(a company controlled by a director))      |   |   | -         | -         |
| Broomside Property Developments<br>(an entity in which the directors are partners) |   |   | 827,580   | 826,233   |
| Clydeside Property Services Limited<br>(a company controlled by the directors)     |   |   | 1,581,292 | 1,331,493 |
| Central Recycling Ltd<br>(a company controlled by the directors)                   |   |   | 1,008,289 | 925,871   |

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

**20. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Mr R J Craig.

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